IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the offering circular following this page (the "**Offering Circular**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES ARE BEING OFFERED OR SOLD ONLY OUTSIDE THE UNITED STATES TO CERTAIN PERSONS IN OFFSHORE TRANSACTIONS IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

If you have gained access to this transmission contrary to any of the foregoing restrictions, you are not authorised and will not be able to purchase any of the Securities described in the attached Offering Circular.

Confirmation of your Representation: In order to be eligible to view the attached Offering Circular or make an investment decision with respect to the securities, investors must not be U.S. persons (within the meaning of Regulation S under the Securities Act). The attached Offering Circular is being sent at your request and by accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to have represented to us that: (1) you are not a U.S. person nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and, to the extent you purchase the securities described in the attached Offering Circular, you will be doing so pursuant to Regulation S under the Securities Act; and (2) you consent to delivery of the attached Offering Circular and any amendments and supplements thereto by electronic transmission.

By accepting this document, if you are an investor in Singapore, you: (A) represent and warrant that you are either an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, a relevant person (as defined under Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or a person pursuant to Section 275(1A) of the SFA; and (B) agree to be bound by the limitations and restrictions described herein. Any reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Offering Circular to any other person.

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

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

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

FCT MTN Pte. Ltd.

(Incorporated with limited liability in Singapore on 12 December 2008)
Company Registration Number: 200823081E

HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)

(Incorporated with limited liability in the Republic of Singapore on 24 February 1949)
Company Registration Number: 194900022R

S$3,000,000,000
Multicurrency Debt Issuance Programme

Under the Multicurrency Debt Issuance Programme described in this Offering Circular (the "**Programme**"), FCT MTN Pte. Ltd. ("**FCT MTN**") and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee (the "**FCT Trustee**") of Frasers Centrepoint Trust ("**FCT**"), a real estate investment trust constituted by a trust deed entered into on 5 June 2006 between the FCT Trustee and Frasers Centrepoint Asset Management Ltd. (the "**FCT Manager**") (the "Issuers", and each an "**Issuer**") as amended and supplemented from time to time, subject to compliance with all relevant laws, regulations and directives, may from time to time issue euro medium term notes (the "**Notes**") or perpetual securities (the "**Perpetual Securities**" and, together with the Notes, the "**Securities**"). The Perpetual Securities may rank as senior obligations (the "**Senior Perpetual Securities**") or subordinated obligations (the "**Subordinated Perpetual Securities**") of the relevant Issuer. Securities issued by FCT MTN (the "**Guaranteed Securities**") will be guaranteed (the "**Guarantee**") by the FCT Trustee (in such capacity, the "**Guarantor**"). Securities issued by the FCT Trustee will not be guaranteed. References in this Offering Circular to the Guarantor and the Guarantee shall only apply to any Guaranteed Securities that are issued under the Programme. The aggregate nominal amount of Securities outstanding will not at any time exceed S$3,000,000,000 (or the equivalent in other currencies), subject to increase as described herein.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in connection with the Programme and application will be made for permission to deal in and for the listing of any Securities which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. Unlisted series of Securities may also be issued pursuant to the Programme and Securities may also be listed on stock exchanges other than the SGX-ST. The relevant pricing supplement (each, a "**Pricing Supplement**") in respect of any series of Securities will specify whether or not such Securities will be listed on the SGX-ST or on any other stock exchange. There is no assurance that the application to the Official List of the SGX-ST for the listing of the Securities will be approved. Approval in-principle from, admission to the Official List of, and listing and quotation of any Securities on, the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantor, FCT, their respective subsidiaries, their respective associated companies (if any), the Programme and/or such Securities. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular.

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

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

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

The Securities and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Securities may include Bearer Securities (as defined in the Dealer Agreement referred to herein) that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold, or, in the case of Bearer Securities, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")). Registered Securities are subject to certain restrictions on transfer, see "Subscription and Sale".

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

Arrangers

DBS Bank Ltd. **OCBC BANK**

Dealers

DBS Bank Ltd. **OCBC BANK**

Offering Circular dated 3 January 2022

*The Issuers and the Guarantor (in respect of the FCT Trustee, based on instructions from the FCT Manager, except for information relating to HSBC Institutional Trust Services (Singapore) Limited in its personal capacity which remain the sole responsibility of the FCT Trustee) accept responsibility for the information contained in this Offering Circular. The Issuers and the Guarantor (in respect of the FCT Trustee, based on instructions from the FCT Manager, except for information relating to HSBC Institutional Trust Services (Singapore) Limited in its personal capacity which remain the sole responsibility of the FCT Trustee), having made all reasonable enquiries, confirm that (i) this Offering Circular contains all information with regard to the Issuers, the Guarantor, FCT and its subsidiaries (the "**Group**"), the Securities and the Guarantee which is material in the context of the Programme, the issue and offering of the Securities and the giving of the Guarantee, (ii) such information is true and accurate and not misleading in all material respects, (iii) the opinions, expectations and intentions expressed in this Offering Circular have been carefully considered, are and will be based on all relevant considerations and facts known to the Issuers and the Guarantor existing at the date of its issue and are and will be fairly, reasonably and honestly held, (iv) there are no other facts the omission of which in the said context would make any such information or expressions of opinion, expectation or intention misleading in any material respect and (v) the Issuers and the Guarantor have made all reasonable enquiries to ascertain all material facts for the purpose aforesaid.*

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

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

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantor, any of the Dealers or the Arrangers, The Bank of New York Mellon, London Branch as trustee (the "Trustee") or any of the Agents (as defined in the Agency Agreement referred to herein). Save as expressly stated in this Offering Circular, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuers, the Guarantor, FCT or any of their respective subsidiaries or associated companies (if any). None of this Offering Circular nor any other document or information or any part thereof, delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, such solicitation or invitation by or on behalf of the Issuers, the Guarantor or any of the Arrangers or the Dealers to subscribe for or purchase the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. None of the delivery of this Offering Circular (or any part thereof) nor any sale, offering or purchase made in connection herewith shall, under any circumstances, create any implication that there has been no change in the prospects, results of operation or general affairs of the Issuers, the Guarantor, FCT or their respective subsidiaries and/ or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuers, the Guarantor, FCT or their respective subsidiaries and/ or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

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

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

This Offering Circular and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealer(s) of the Securities from time to time to be issued pursuant to the Programme. In respect of offers made pursuant to Sections 274 and/or 275 of the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time (the "SFA"), this Offering Circular and any such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealer(s) as aforesaid or for any other purpose. Recipients of this Offering Circular shall not reissue, circulate or distribute this Offering Circular or any part thereof in any manner whatsoever. Neither the delivery of this Offering Circular (or any part thereof) or the issue, offering, purchase or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuers, the Guarantor, FCT or any of their respective subsidiaries or associated companies (if any) or in the information herein since the date hereof or the date on which this Offering Circular has been most recently amended or supplemented.

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

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

Neither this Offering Circular nor any other document or information (or any part thereof) delivered and supplied under or in relation to the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, the Guarantor, the Arrangers, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents that any recipient of this Offering Circular or any other financial statements should purchase the Securities. Each potential purchaser of Securities shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and its appraisal of the creditworthiness of the Issuers, the Guarantor, FCT and their respective subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuers, the Guarantor, FCT and their respective subsidiaries and associated companies (if any). Accordingly, notwithstanding anything herein, none of the Arrangers, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Offering Circular or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Offering Circular or such other document or information (or such part thereof and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Securities by a recipient of this Offering Circular or such other document or information (or such part thereof). None of the Dealers, the Arrangers, the Trustee or the Agents undertakes to review the financial condition or affairs of the Issuers or the Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Dealers, the Arrangers, the Trustee, the Agents or any of their respective officers, employees or agents.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "Stabilisation Manager(s)") (or any person acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be discontinued at any time and must in any event be brought to an end after a limited period. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws, rules and regulations.

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

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

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

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

The attention of recipients of this Offering Circular is drawn to the restrictions on resale of the Securities set out under the section "Subscription and Sale" herein.

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

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

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

IMPORTANT — EEA RETAIL INVESTORS

If the Pricing Supplement in respect of any Securities includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT — UK RETAIL INVESTORS

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

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Securities may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

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

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

SECTION 309B(1)(C) NOTIFICATION

Unless otherwise stated in the Pricing Supplement in respect of any Securities, all Securities issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) 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).

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SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

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

This Offering Circular discloses some of these factors under "Risk Factors" and elsewhere, important factors that could cause actual results to differ materially from the Issuers' or the Guarantor's expectations. Among the important factors that could cause the actual results, performance or achievements of the Issuers, the Guarantor and/or the Group to differ materially from those in the forward-looking statements and financial information are the conditions of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in Singapore, changes in government laws and regulations affecting the Group, competition in the property markets in which the Group may operate or invest, industry, foreign exchange rates, interest rates, inflation, relations with service providers, relations with lenders, hostilities (including future terrorist attacks), the performance and reputation of the Group's properties and/or acquisitions, difficulties in identifying future acquisitions, difficulty in completing and integrating acquisitions, changes in the Group's directors and executive officers, risks related to natural disasters, general volatility of the capital markets, general risks relating to the property markets in which the Group may invest and the market price of the Units as well as other matters not yet known to the Group or not currently considered material by the Group. All subsequent written and forward-looking statements attributable to the Issuers or the Guarantor or persons acting on behalf of the Issuers or the Guarantor are expressly qualified in their entirety by such cautionary statements.

SELECTED FINANCIAL INFORMATION OF FCT

The following tables set forth the selected financial information of FCT as at and for the period indicated. The selected financial information as at and for the financial periods FY2019, FY2020 and FY2021 has been derived from FCT's audited financial statements for the financial periods for FY2019, FY2020 and FY2021 included in this Offering Circular and should be read together with those financial statements and the accompanying notes thereto.

FCT's financial statements are reported in Singapore dollars.

*FCT's audited financial statements for the financial periods FY2019, FY2020 and FY2021 contained and/or incorporated by reference in this Offering Circular were prepared and presented in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 ("**RAP 7**") "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants.*

Statements of Total Return

	Group		
	FY2021 S$'000	**FY2020 S$'000**	**FY2019 S$'000**
Gross revenue	341,149	164,377	196,386
Property expenses	(94,582)	(53,489)	(57,103)
NET PROPERTY INCOME	**246,567**	**110,888**	**139,283**
Interest income	119	14	–
Other income	341	586	131
Interest income from joint venture	801	2,211	587
Borrowing costs	(45,938)	(27,603)	(24,648)
Asset management fees	(32,389)	(18,430)	(16,756)
Valuation fees	(109)	(121)	(101)
Trustee's fees	(1,023)	(577)	(477)
Audit fees	(240)	(138)	(115)
Other professional fees	(1,684)	(768)	(557)
Other charges	(664)	(655)	(670)
NET INCOME	**165,781**	**65,407**	**96,677**
Share of results of associates	(1,386)	75,280	22,548
Share of results of joint ventures	16,886	11,200	6,409
Impairment loss on investment in an associate	(11,976)	–	–
Impairment loss on investment in joint venture	–	–	(1,132)
(Loss)/surplus on revaluation of investment properties	(3,298)	4,747	93,290
Gain/(loss) from fair valuation of derivatives	2,948	(1,095)	(998)
Net gain on step acquisition	11,470	–	–
Expenses in relation to acquisitions of subsidiaries/associate/ joint venture	(25,318)	(3,781)	(10,838)
Net foreign exchange loss	(21)	–	–
Gain on disposal of investment properties	17,156	–	–
TOTAL RETURN FOR THE PERIOD BEFORE TAX	**172,242**	**151,758**	**205,956**
Taxation	(3,609)	(82)	(11)
TOTAL RETURN FOR THE PERIOD AFTER TAX	**168,633**	**151,676**	**205,945**

Distribution Statement

	Group		
	FY2021 S$'000	**FY2020 S$'000**	**FY2019 S$'000**
Net income	165,781	65,407	96,677
Net tax and other adjustments	15,784	(8,011)	8,368
Distributions from associates	7,017	33,171	10,753
Distributions from joint ventures	16,092	10,579	2,920
DISTRIBUTABLE INCOME FOR THE PERIOD	**204,674**	**101,146**	**118,718**

Balance Sheets

	Group		
	As at 30 September 2021 S$'000	**As at 30 September 2020 S$'000**	**As at 30 September 2019 S$'000**
NON-CURRENT ASSETS			
Investment properties	5,506,500	2,749,500	2,846,000
Fixed assets	175	229	85
Investment in associates	46,494	696,406	457,470
Investment in joint ventures	294,399	177,197	177,273
Loan to joint venture	–	113,810	113,810
TOTAL NON-CURRENT ASSETS	**5,847,568**	**3,737,142**	**3,594,638**
CURRENT ASSETS			
Trade and other receivables	8,995	9,686	3,142
Cash and cash equivalents	42,234	28,583	13,103
Asset held for sale	–	108,000	–
TOTAL CURRENT ASSETS	**51,229**	**146,269**	**16,245**
TOTAL ASSETS	**5,898,797**	**3,883,411**	**3,610,883**
CURRENT LIABILITIES			
Trade and other payables	(75,843)	(43,277)	(47,329)
Financial derivatives	(1,281)	(466)	–
Current portion of security deposits	(38,981)	(16,856)	(22,609)
Deferred income	–	(1)	(2)
Interest-bearing borrowings	(204,827)	(255,000)	(295,049)
Provision for taxation	(1,266)	(86)	(11)
Liabilities held for sale	–	(1,427)	–
TOTAL CURRENT LIABILITIES	**(322,198)**	**(317,113)**	**(365,000)**
NON-CURRENT LIABILITIES			
Financial derivatives	(1,855)	(6,901)	(975)
Interest-bearing borrowings	(1,604,089)	(997,308)	(744,756)
Non-current portion of security deposits	(45,207)	(23,813)	(29,093)
Deferred tax liabilities	(6,640)	–	–
TOTAL NON-CURRENT LIABILITIES	**(1,657,791)**	**(1,028,022)**	**(774,824)**
TOTAL LIABILITIES	**(1,979,989)**	**(1,345,135)**	**(1,139,824)**
NET ASSETS	**3,918,808**	**2,538,276**	**2,471,059**
Unitholders' funds	3,941,493	2,562,605	2,489,921
Translation reserve	(20,077)	(18,999)	(18,829)
Hedging reserve	(2,608)	(5,330)	(33)
UNITHOLDERS' FUNDS AND RESERVES	**3,918,808**	**2,538,276**	**2,471,059**

FY2021 vs FY2020

FY2021 compared to FY2020 gross revenue increased by 107.5% or S$176.8 million to S$341.1 million. The increase was mainly due to:

- the contributions from the enlarged retail portfolio following the ARF Acquisition on 27 October 2020; and

- lower rental rebates assistance granted to tenants in FY2021.

The increase was partially offset by the loss of gross revenue from the divestments of Bedok Point, Anchorpoint and YewTee Point during FY2021.

Property expenses for FY2021 totalled S$94.6 million, an increase of 76.8% or S$41.1 million compared to FY2020. The increase was mainly due to the enlarged retail portfolio with the ARF Acquisition on 27 October 2020 and was partially offset by the absence of property expenses from the investment properties that were divested during FY2021.

Net property income ("**NPI**") for FY2021 was higher at S$246.6 million, being 122.4% or S$135.7 million higher than FY2020.

Net non-property expenses of S$80.8 million was 77.6% or S$35.3 million higher than FY2020 mainly due to higher borrowing costs from higher borrowings and increase in the FCT Manager's management fees arising from the increase in NPI and total assets of the enlarged retail portfolio with the ARF Acquisition on 27 October 2020. Interest income from joint venture of S$0.8 million was 63.8% lower than last year due to the conversion of the interest-bearing loan to joint venture of S$113.8 million to redeemable preference units.

FY2021 total return included:

- gain from fair valuation of derivatives of S$2.9 million was 369.2% or S$4.0 million higher than FY2020 due to the fair valuation of interest rate swaps for the hedging of interest rate in respect of the loans and the realisation of hedging reserve upon expiry of the interest rate swaps contract;

- share of associates' results loss of S$1.4 million was 101.8% or S$76.7 million lower than FY2020 mainly due to the reduced contribution from ARF, upon the reclassification of investment in ARF from "investment in associates" to "investment in subsidiaries" following the ARF Acquisition, lower share of results from Hektar REIT, and share of Hektar REIT's revaluation loss of S$3.9 million during FY2021;

- for FY2021, the Group provided for an impairment loss of S$12.0 million to write down the carrying amount of the investment in Hektar REIT to the estimated recoverable amount;

- share of joint ventures' results of S$16.9 million was 50.8% or S$5.7 million higher than FY2020 due to higher share of SST's results in FY2021, partially offset by the share of SST's revaluation loss of S$0.5 million;

- loss on revaluation of investment properties of S$3.3 million, of which S$10.0 million related to the fair value surplus recognised for YewTee Point, offset by the capital expenditure written off of S$25,769 for Anchorpoint;

- the gain on disposal of properties of S$17.2 million mainly arose from the gain on disposal of YewTee Point, net of transaction costs of S$18.8 million, offset by the transaction costs arising from the sale of Bedok Point and Anchorpoint;

- the net gain on step acquisition of S$11.5 million related to the re-measurement of the Group's pre-existing interest in ARF and bargain purchase on the ARF Acquisition;

- expenses in relation to acquisition of subsidiaries and an associate of S$25.3 million arising from the acquisition fee, legal fees and due diligence costs incurred on the ARF Acquisition; and

- the tax ruling grants tax transparency to FCT, Tiong Bahru Plaza Trust 1, White Sands Trust 1, Hougang Mall Trust 1, Tampines 1 Trust 1 and Central Plaza Trust 1 on their taxable income that is distributed to Unitholders such that the aforementioned entities would not be taxed on such taxable income. Correspondingly, no provision has been made for tax at the aforementioned entities as it is assumed that 100% of the taxable income available for distribution to Unitholders in the next financial year will be distributed. The Group's tax expenses of S$3.6 million consist of S$0.1 million of over-provision in relation to prior year mainly arising from the tax exposure of certain subsidiaries prior to the conversion to LLP structure.

Distributable income for FY2021 was S$204.7 million, which was S$103.5 million higher compared to the corresponding period in the preceding financial year.

FY2020 vs FY2019

FY2020 compared to FY2019 gross revenue decreased by 16.3% or S$32.0 million to S$164.4 million. The decrease was mainly due to rental rebates assistance granted to tenants.

The decrease was partially offset by the positive rental reversions achieved by FCT's property portfolio during the year. Rentals from renewal and replacement leases from the properties which commenced during FY2020 showed an average increase of 4.0% over the expiring leases.

Property expenses for FY2020 totalled S$53.5 million, a decrease of 6.3% or S$3.6 million from FY2019. The decrease was mainly due to lower property manager's fee arising from lower gross rental revenue and NPI; and lower marketing expenses during the year. It was partially offset by the absence of write-back of property tax not required and higher provision for doubtful debts during the year.

NPI for FY2020 was lower at S$110.9 million, being 20.4% or S$28.4 million lower than FY2019.

Net non-property expenses of S$45.5 million was 6.7% or S$2.9 million higher than FY2019 mainly due to higher borrowing costs from additional borrowings and an increase in the FCT Manager's management fees arising from the increase in total assets. It was partially offset by interest income from an interest-bearing loan to joint venture.

FY2020 total return included:

- unrealised loss from fair valuation of derivatives of S$1.1 million arising from fair valuation of interest rate swaps;
- share of associates' results of S$75.3 million;
- share of joint ventures' results of S$11.2 million;
- expenses in relation to acquisitions of an associate and a joint venture of S$3.8 million; and
- surplus on revaluation of investment properties of S$4.7 million.

Distributable income for FY2020 was S$101.1 million, which was S$17.6 million lower compared to the corresponding period in the preceding financial year.

SUPPLEMENTARY OFFERING CIRCULAR

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

DEFINITIONS

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

"**Anchorpoint**" means the properties comprised in strata lot U41774C and strata lot U41775M (with accessory lots A82V to A134C and A137V to A161K), both of Mukim 1, and known as 368 and 370 Alexandra Road, Anchorpoint Shopping Centre, Singapore 159952/3;

"**Bedok Point**" means the properties comprised in strata lots 4710W, 4711V, 10529L and 10530N of Mukim 27, and known as 799 New Upper Changi Road, Bedok Point, Singapore 467351;

"**Causeway Point Property**" means all that piece of land comprised in the whole of 3098T of Mukim 13 together with the building erected thereon, and known as 1 Woodlands Square, Causeway Point, Singapore 738099;

"**Central Plaza Property**" means the whole of lots U46762V, U78292W, U78293V, U78294P, U78295T, U78296A and U78297K all of Mukim 1, located at 298 Tiong Bahru Road, Singapore 168730, and collectively known as "Central Plaza", together with the building or buildings erected or to be erected thereon;

"**Century Square Property**" means the whole of all the lots comprised in Subsidiary Strata Certificates of Title Volume 508 Folio 92 to Folio 191 located at 2 Tampines Central 5, Singapore 529509, and collectively known as "Century Square", together with the building or buildings erected or to be erected thereon;

"**Changi City Point Property**" means all that piece of land comprised in the whole of strata lot U49285C together with accessory lots A101C, A102M, A103W and A104V, all of Mukim 27 together with the building comprised thereon and known as 5 Changi Business Park Central 1, Changi City Point, Singapore 486038;

"**CIS Code**" means the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore as amended, varied or supplemented from time to time;

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

"**Dealer Agreement**" means the dealer agreement dated 8 February 2017, entered into between (1) the Issuers, as issuer, (2) the Guarantor, as guarantor, and (3) DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited, as arrangers and dealers, as amended, varied or supplemented from time to time;

"**Definitive Note**" means a definitive Note in bearer form and having, where appropriate, Coupons attached on issue;

"**Deposited Property**" means the gross assets of FCT, including the Properties and all the authorised investments of FCT for the time being held or deemed to be held upon the trusts under the FCT Trust Deed;

"**Directors**" means the directors of the FCT Manager;

"**EURIBOR**" means the Euro-zone interbank offered rate;

"**FCT**" means Frasers Centrepoint Trust (or such other name as the FCT Manager (with the approval of the FCT Trustee) may from time to time determine), a real estate investment trust established in Singapore on 5 June 2006 and constituted by the FCT Trust Deed;

"**FCT Manager**" means Frasers Centrepoint Asset Management Ltd., as manager of FCT;

"**FCT Property Manager**" means Frasers Property Retail Management Pte. Ltd.;

"**FCT Trust Deed**" means the deed of trust dated 5 June 2006 constituting FCT entered into between (1) the FCT Manager, as manager, and (2) the FCT Trustee, as trustee, as amended by the first supplemental deed dated 4 October 2006, the first amending and restating deed dated 7 May 2009, the second supplemental deed dated 22 January 2010, the third supplemental deed dated 17 December 2015, the fourth supplemental deed dated 19 January 2017 and the fifth supplemental deed dated 24 January 2018, and as further amended and supplemented from time to time;

"**FCT Trustee**" means HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of FCT, or its successor in such capacity;

"**Fitch**" means Fitch, Inc. or its successors;

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

"**GFA**" means gross floor area;

"**Global Note**" means a global Note representing Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons;

"**HIBOR**" means the Hong Kong Inter-bank Offered Rate;

"**Hougang Mall Property**" means the whole of lot 7350X of Mukim 22, located at 90 Hougang Avenue 10, Singapore 538766, and known as "Hougang Mall", together with the building or buildings erected or to be erected thereon;

"**IRAS**" means the Inland Revenue Authority of Singapore;

"**Latest Practicable Date**" means 20 December 2021;

"**LIBOR**" means the London interbank offered rate;

"**MAS**" means the Monetary Authority of Singapore;

"**Moody's**" means Moody's Investors Service Inc. or its successors;

"**MRT**" means mass rapid transit;

"**NLA**" means lettable area on a property which generally excludes public areas and areas used to accommodate building facilities and services and property management functions;

"**Northpoint 2**" means the land comprised in the whole of lot 2985X of Mukim 19, together with the building erected thereon;

"**Northpoint City North Wing Property**" means the land comprised in the whole of lot 1640X Mukim 19, together with the building thereon and Northpoint 2, and known as 930 Yishun Avenue 2, Singapore 769098;

"**Noteholder**" has the meaning ascribed to it in the Conditions;

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

"**Principal Subsidiary**" has the meaning ascribed to it in the Conditions;

"**Properties**" means the Causeway Point Property, the Waterway Point Property, the Tampines 1 Property, the Northpoint City North Wing Property (including Yishun 10 Retail Podium Property), the Tiong Bahru Plaza Property, the Century Square Property, the Changi City Point Property, the Hougang Mall Property, the White Sands Property and the Central Plaza Property and "**Property**" means any one of them;

"**Property Funds Appendix**" means Appendix 6 to the CIS Code issued by the Monetary Authority of Singapore in relation to real estate investment trusts, as amended, varied or supplemented from time to time;

"**Rating Agencies**" means (if appointed by FCT to rate FCT and/or the Programme) (1) Moody's, (2) Fitch, and/or (3) S&P, and "**Rating Agency**" means any one of them;

"**Recognised Stock Exchange**" means any stock exchange of repute in any country in any part of the world;

"**REIT**" means real estate investment trust;

"**RM**" means the lawful currency of Malaysia;

"**S&P**" means Standard & Poor's Rating Services, a division of The McGraw Hill Companies, or its successors;

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

"**SGX-ST**" means Singapore Exchange Securities Trading Limited;

"**SIBOR**" means the Singapore Dollar interbank offered rate;

"**SOR**" means the Singapore Dollar swap offer rate;

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

"**sq ft**" means square feet;

"**Subsidiary**" or "**subsidiary**" means any company which is for the time being, a subsidiary (within the meaning of Section 5 of the Companies Act), and in relation to FCT, means any company, corporation, trust, fund or other entity (whether or not a body corporate):

(1) which is controlled, directly or indirectly, by FCT (through its trustee); or

(2) more than half the issued share capital of which is beneficially owned, directly or indirectly, by FCT (through its trustee); or

(3) which is a subsidiary of any company, corporation, trust, fund or other entity (whether or not a body corporate) to which paragraph (1) or (2) above applies, and for these purposes, any company, corporation, trust, fund or other entity (whether or not a body corporate) shall be treated as being controlled by FCT if FCT (whether through its trustee or otherwise) is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

"**Tampines 1 Property**" means the whole of lot 1087L of Mukim 29 located at 10 Tampines Central 1, Singapore 529536, and lot 1089M of Mukim 29 located at 12 Tampines Central 1, Singapore 529537, and collectively known as "Tampines 1", together with the building or buildings erected or to be erected thereon;

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

"**Tiong Bahru Plaza Property**" means the whole of lots U78289W, U78290C, U78291M, U52393M all of Mukim 1 together with accessory lot A173T of Mukim 1, situated at 302 Tiong Bahru Road, Singapore 168732, and collectively known as "Tiong Bahru Plaza", together with the building or buildings erected or to be erected thereon;

"**Unit(s)**" means an undivided interest in FCT as provided for in the FCT Trust Deed;

"**United States**" **or** "**U.S.**" means United States of America;

"**Unitholder(s)**" means the registered holder(s) for the time being of a Unit including persons so registered as joint holders, except where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose securities account with CDP is credited with Units;

"**US Dollars**" or "**USD**" each mean the lawful currency of the United States of America;

"**Waterway Point Property**" means the properties comprised in strata lots U96899V, U96900T and U96901A of Mukim 21, and known as 83 Punggol Central, Waterway Point, Singapore 828761;

"**White Sands Property**" means the whole of lot 1329T of Mukim 29 located at 1 Pasir Ris Central Street 3, Singapore 518457, and known as "White Sands", together with the building or buildings erected or to be erected thereon;

"**YewTee Point**" means the properties comprised in strata lots U45192P (with accessory lots A1W, A2V, A3P and A4T), U45193T and U45194A, all of Mukim 11, and known as 21 Choa Chu Kang North 6 Singapore 689578;

"**Yishun 10 Retail Podium Property**" means the properties comprised in units #01-01, #01-02, #01-03, #01-04/04A, #01-05, #01-06, #01-07, #01-08 and #01-09 of the retail podium of Yishun 10 Cinema Complex, 51 Yishun Central 1, Singapore 768794; and

"**%**" means per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference to a time of day in this Offering Circular shall be a reference to Singapore time unless otherwise stated. Any reference in this Offering Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Offering Circular shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

In this Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with (i) each relevant Pricing Supplement, (ii) the most recently published audited consolidated annual financial statements, and any interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements, of the Issuers and the Guarantor from time to time, and (iii) all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Such documents shall be incorporated in and form part of this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

Copies of all such documents which are so deemed to be incorporated by reference herein, and to form part of, this Offering Circular are available for inspection at the respective specified office of the REIT Manager during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) set out at the end of this Offering Circular. In addition, copies of the most recently published audited consolidated annual financial statements, and any interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements, of the Issuers and the Guarantor from time to time which are deemed to be incorporated by reference in this Offering Circular may be obtained at the SGX-ST's website at www.sgx.com.

SUMMARY OF THE PROGRAMME

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

Issuers	FCT MTN Pte. Ltd. and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of FCT).
Guarantor (in the case of Guaranteed Securities only)	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of FCT).
Legal Entity Identifier ("LEI") of FCT MTN Pte. Ltd.	25490035IUKX8YZRVV66
LEI of FCT	5493002RGQ266FKERZ83
Description	S$3,000,000,000 Multicurrency Debt Issuance Programme.
Size	The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding, shall be S$3,000,000,000 (or its equivalent in other currencies) or such higher amount as may be increased in accordance with the terms of the Dealer Agreement.
Arrangers	DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited.
Dealers	DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and such other Dealers as may be appointed by the Issuers in accordance with the Dealer Agreement. Each Issuer and the Guarantor (in the case of Guaranteed Securities only) may from time to time appoint one or more additional Dealers in accordance with the terms of the Dealer Agreement. Any such appointment of a Dealer may be in respect of a single Series, Tranche or the whole Programme. References in this Offering Circular to "**Permanent Dealers**" are to all Dealers other than those appointed as such solely in respect of one or more specified Tranches (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and any other Dealer that is appointed to the Programme.
Trustee	The Bank of New York Mellon, London Branch.
Issuing and Paying Agent (in respect of Securities cleared through Euroclear/Clearstream, Luxembourg) and (where appointed) Calculation Agent	The Bank of New York Mellon, London Branch.
Transfer Agent and Registrar (in respect of Securities cleared through Euroclear/Clearstream, Luxembourg)	The Bank of New York Mellon SA/NV, Luxembourg Branch (previously known as The Bank of New York Mellon (Luxembourg) S.A.)

CDP Paying Agent, CDP Transfer Agent and CDP Registrar (in respect of Securities cleared through CDP)	The Bank of New York Mellon, Singapore Branch.
Issuing and Paying Agent, Paying Agent, Registrar and Calculation Agent (in respect of AMTNs)	BTA Institutional Services Australia Limited (the "**Australian Agent**").
Non-Disposal Clause	So long as any of the Securities remains outstanding, the FCT Trustee has covenanted with the Trustee in the Trust Deed that it will not, and will ensure that none of its Principal Subsidiaries (as defined in the Trust Deed) will, (whether by a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time) sell, transfer, lease out or otherwise dispose of (whether outright, by a sale-and-repurchase or sale and leaseback arrangement, or otherwise) any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under Clause 10.2.9 of the Trust Deed, would have a material adverse effect on its ability to perform or comply with any of its payment or other material obligations under the Trust Deed, the Securities or the Guarantee. The following disposals shall not be taken into account under Clause 10.2.9 of the Trust Deed: (i) disposals in the ordinary course of business or on normal commercial terms; (ii) any disposal or sale of assets from FCT or any of its subsidiaries to any of the subsidiaries of FCT or, as the case may be, FCT; (iii) any disposal or sale of assets which are obsolete, excess or no longer required for the purpose of its business; (iv) any payment of cash as consideration for the acquisition of any asset on normal commercial terms and on an arm's length basis; (v) any exchange of assets for other assets of a similar nature and value and cash; (vi) any disposal or sale of assets for the purposes of or pursuant to a consolidation, amalgamation, merger, reconstruction or transfer of assets to a subsidiary of FCT; and (vii) any disposal which the Trustee or the Securityholders by way of an Extraordinary Resolution (as defined in the Trust Deed) shall have agreed shall not be taken into account.

NOTES

Method of Issue	Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more tranches (each, a "**Tranche**"), on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	Notes may be issued at par or at a discount, or premium, to par.
Form and Denomination and Trading of the Notes	The Notes will be issued in bearer form or registered form and in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Notes may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a common depositary for Euroclear and Clearstream (the "**Common Depositary**"), Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein. Each Tranche or Series of registered Notes (other than AMTNs) will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of CDP, a Common Depositary and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the Conditions of the Notes, a Certificate shall be issued in respect of each Securityholder's entire holding of registered Notes of one Series. AMTNs will be issued in registered certificated form and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system operated by Austraclear (the "**Austraclear System**"). Each Tranche of AMTNs will be represented by an AMTN Certificate.
Clearing Systems	Clearstream, Luxembourg, Euroclear, CDP, the Austraclear System and, in relation to any Tranche, such additional or alternative clearing system approved by the relevant Issuer, the Guarantor, the Trustee, the relevant Registrar and the Issuing and Paying Agent.
Initial Delivery of Notes	On or before the issue date for each Tranche, the Global Security representing Bearer Notes or the Global Certificate representing Registered Notes (other than AMTNs) may be deposited with a Common Depositary, or with CDP. Global Securities or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer(s). Registered Notes (other than AMTNs) that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems. AMTNs lodged with the Austraclear System will be registered in the name of Austraclear.

Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes (other than AMTNs) may be issued in Singapore dollars or any other currency agreed between the relevant Issuer, the Guarantor, the relevant Dealer(s), the Issuing and Paying Agent and the relevant Registrar. The AMTNs will be issued in Australian dollars.
Maturities	Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the relevant Issuer and the relevant Dealer(s).
Specified Denomination	Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). Notes issued in, or into, Australia may be issued in such denominations as may be agreed save that: (i) the aggregate consideration payable to the relevant Issuer by each offeree is at least A$500,000 (or the equivalent in another currency and disregarding monies lent by the relevant Issuer or its associates to the purchaser) or the issue results from an offer or invitation for those Notes which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia; and (ii) the issue complies with all other applicable laws.
Interest Basis	Notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest.
Fixed Rate Notes	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.
Floating Rate Notes	Floating Rate Notes will bear interest determined separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the Relevant Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to SOR, SIBOR, HIBOR, LIBOR or EURIBOR, (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. Interest periods will be specified in the relevant Pricing Supplement.

Variable Rate Notes	Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the relevant Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the relevant Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the relevant Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S$ SIBOR or S$ Swap Rate (or such other benchmark as may be agreed between the relevant Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the relevant Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the relevant Issuer and the relevant Dealer(s).
Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.
Credit Linked Notes	Notes with respect to which payment of principal and interest is linked to the credit of a specified entity or entities will be issued on such terms as may be agreed between the relevant Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement).
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.
Redemption	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Optional Redemption	If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the relevant Issuer and/or the holders of the Notes.

Tax Redemption	If so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Interest Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Securityholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) their Early Redemption Amount (together with interest accrued to (but excluding) the date fixed for redemption), if: (i) the relevant Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8 of the Notes, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement; and (ii) such obligations cannot be avoided by the relevant Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.
Status of Notes and the Guarantee	The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer. The payment obligations of the Guarantor under the Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.
Negative Pledge	If Condition 4(a) of the Notes is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon remains outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed or, in the case of AMTNs, in the Note (AMTN) Deed Poll), each of the Issuer and (where the Issuer is FCT MTN) the Guarantor will not, and the FCT Trustee will procure that the Principal Subsidiaries will not, create or have outstanding any security ("**Subsequent Security**") over any of the undertaking, assets, property or revenues or rights to receive dividends of FCT MTN, FCT and/or the Principal Subsidiaries over which a first ranking security by way of an assignment

and/or a charge and/or mortgage exists at the time of creation of the Subsequent Security over such undertaking, assets, property or revenues (an "**Existing Secured Asset**"), which ranks, in point of priority, completely after the security created over such Existing Secured Asset, except for any security created or outstanding with the prior consent in writing of the Trustee or the Securityholders of the Notes by way of an Extraordinary Resolution (as defined in the Trust Deed). For the avoidance of doubt, nothing in Condition 4(a) of the Notes shall prohibit:

(i) any new first ranking security to be created over any Existing Secured Asset (whether in connection with a refinancing or otherwise) provided that the security over such Existing Secured Asset is discharged contemporaneously with the creation of such new security; or

(ii) any first ranking security over any units or shares in any company, trust or other entity which are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured,

If Condition 4(b) of the Notes is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon issued under the applicable Pricing Supplement remains outstanding, as at the end of each financial year in respect of the Group (the "**Reference Date**") based upon the amounts certified by two authorised signatories of the FCT Manager (which the FCT Trustee undertakes to procure) to the Trustee no later than the date falling 90 days from the Reference Date (the "**Notification Date**"), the FCT Trustee shall ensure that:

(i) the total principal amount of all secured borrowings of the Group on a consolidated basis incurred to finance or refinance the Group's investments in property and secured against such property ("**Total Secured Borrowings**") shall not exceed 50 per cent. of the total book value of all assets of the Group on a consolidated basis as shown by the audited or unaudited balance sheet of the Group as at the relevant date ("**Total Assets**"), provided however that an amount equal to any money borrowed and set aside as at the Reference Date in order to repay any portion of the Total Secured Borrowings shall be deducted from such Total Secured Borrowings and Total Assets as at the Reference Date;

(ii) if the test in (i) above is not met as at the end of any Reference Date, the FCT Trustee undertakes that such test in (i) above will be met as at the end of the next financial quarter immediately following the Notification Date, failing which, as at the end of the second financial quarter immediately following the Notification Date, in each case, based upon relevant amounts as at the end of the relevant quarter certified by two authorised signatories of the FCT Manager (which the FCT Trustee undertakes to procure) to the Trustee no later than 45 days after the end of the relevant quarter; and

	(iii) certificates delivered by two authorised signatories of the FCT Manager (which the FCT Trustee undertakes to procure) in connection with Condition 4(b) of the Notes shall, in the absence of manifest error, be conclusive.
Further Covenants	The FCT Trustee has covenanted with the Trustee in the Trust Deed that so long as any of the Securities remains outstanding, it will ensure that it will at all times own beneficially (directly or indirectly) the whole of the issued share capital for the time being of FCT MTN.
Events of Default	See Condition 10 of the Notes.
Taxation	All payments in respect of the Notes and the Coupons by the relevant Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section on "Taxation – Singapore taxation" herein.
Listing and Admission to Trading	Each Series of the Notes may, if so agreed between the relevant Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained. Unlisted Series of Notes may also be issued pursuant to the Programme.
Selling Restrictions	The United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore and Japan. For the purposes of Regulation S, Category 2 selling restrictions shall apply. For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section on "Subscription and Sale" herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.
Governing Law	(i) (in respect of Notes other than AMTNs) English law or Singapore law (as specified in the applicable Pricing Supplement), and (ii) (in respect of AMTNs) the laws of New South Wales, Australia.

PERPETUAL SECURITIES

Method of Issue	Perpetual Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	Perpetual Securities may be issued at par or at a discount, or premium, to par.
Form and Denomination and Trading of the Perpetual Securities	The Perpetual Securities will be issued in bearer form or registered form and in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Perpetual Securities may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a Common Depositary and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Perpetual Securities (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Perpetual Securities upon the terms therein. Each Tranche or Series of registered Perpetual Securities will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of CDP, a Common Depositary and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for definitive Certificates upon the terms therein. A Certificate shall be issued in respect of each Perpetual Securityholder's entire holding of registered Perpetual Securities of one Series.
Clearing Systems	Clearstream, Luxembourg, Euroclear, CDP and, in relation to any Tranche, such additional or alternative clearing system approved by the relevant Issuer, the Guarantor, the Trustee, the relevant Registrar and the Issuing and Paying Agent.
Initial Delivery of Perpetual Securities	On or before the issue date for each Tranche, the Global Security representing bearer Perpetual Securities or the Global Certificate representing registered Perpetual Securities may be deposited with a Common Depositary, or with CDP. Global Securities or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer(s). Registered Perpetual Securities that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Perpetual Securities may be issued in Singapore dollars or any other currency agreed between the relevant Issuer, the relevant Dealer(s), the Issuing and Paying Agent and the relevant Registrar.

Maturities	The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the relevant Issuer shall only have the right (but not the obligation) to redeem or purchase them in accordance with the provisions of the terms and conditions of the Perpetual Securities.
Specified Denomination	Definitive Perpetual Securities will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Perpetual Securities (including Perpetual Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). Perpetual Securities issued in, or into, Australia may be issued in such denominations as may be agreed save that: (i) the aggregate consideration payable to the relevant Issuer by each offeree is at least A$500,000 (or the equivalent in another currency and disregarding monies lent by the Issuer or its associates to the purchaser) or the issue results from an offer or invitation for those Perpetual Securities which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia; and (ii) the issue complies with all other applicable laws.
Distribution Basis	Perpetual Securities may confer a right to receive distribution at fixed or floating rates.
Fixed Rate Perpetual Securities	Fixed Rate Perpetual Securities will confer a right to receive distribution at a fixed rate which will be payable in arrear on specified dates. If so provided on the face of the Fixed Rate Perpetual Securities, the distribution rate may be reset on such dates and bases as may be set out in the applicable Pricing Supplement.
Floating Rate Perpetual Securities	Floating Rate Perpetual Securities will bear interest determined separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the Relevant Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to SOR, SIBOR, HIBOR, LIBOR or EURIBOR, (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. Interest periods will be specified in the relevant Pricing Supplement.

Distribution Periods and Distribution Rates	The length of the distribution periods for the Perpetual Securities and the applicable distribution rate or its method of calculation may differ from time to time or be constant for any Series. Perpetual Securities may have a maximum distribution rate, a minimum distribution rate, or both. The use of distribution accrual periods permits the Perpetual Securities to allow distribution at different rates in the same distribution period. All such information will be set out in the relevant Pricing Supplement.
Distribution Discretion	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the relevant Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date (as defined in the Conditions of the Perpetual Securities) by giving notice to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the Perpetual Securities) not more than 15 nor less than five business days (or such other notice period as may be specified on the face of the Perpetual Security and the relevant Pricing Supplement) prior to a scheduled Distribution Payment Date. If Dividend Pusher is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the relevant Issuer may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following have occurred: (i) a dividend, distribution or other payment has been declared or paid on or in respect of any of FCT's Junior Obligations (as defined in the Conditions of the Perpetual Securities) or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations (as defined in the Conditions of the Perpetual Securities); or (ii) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration, in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of FCT or (in the case where FCT MTN is the Issuer) the Issuer for Junior Obligations of FCT or (in the case where FCT MTN is the Issuer) the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

Non-Cumulative Deferral and Cumulative Deferral

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

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

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

Restrictions in the case of Non-Payment	If Dividend Stopper is so provided on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the Perpetual Securities, the relevant Issuer and the Guarantor shall not and the FCT Trustee shall procure that none of FCT's subsidiaries shall: (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations; or (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations, in each case other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of FCT or (in the case where FCT MTN is the Issuer) the Issuer for Junior Obligations of FCT or (in the case where FCT MTN is the Issuer) the Issuer, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the relevant Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the relevant Issuer or, as the case may be, the Guarantor, is permitted to do so by an Extraordinary Resolution of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.
Status of the Senior Perpetual Securities and the Senior Guarantee	The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

	The obligations of the Guarantor under the Senior Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Senior Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.
Status of the Subordinated Perpetual Securities and the Subordinated Guarantee	The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of (in the case where FCT MTN is the Issuer) FCT MTN or (in the case where the FCT Trustee is the Issuer) FCT. The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, subordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with any Parity Obligations of FCT.
Subordination of Subordinated Perpetual Securities	In the case where FCT MTN is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Issuer, the rights of the Perpetual Securityholders and Couponholders in respect of Subordinated Perpetual Securities to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them or, as the case may be, the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities or, as the case may be, the Subordinated Guarantee and in priority to the claims of shareholders of the Issuer and/or as otherwise specified in the applicable Pricing Supplement. In the case where the FCT Trustee is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of FCT, there shall be payable by the Issuer in respect of each Perpetual Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the winding-up of FCT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of FCT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**Notional Preferred Units**") having an equal right to return of assets in the winding-up of FCT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the winding-up of FCT, and so rank ahead of the holders of Junior Obligations of FCT, but junior to the claims of all other present and future creditors of FCT (other than Parity Obligations of FCT), on the assumption that the amount that such Perpetual

	Securityholder was entitled to receive in respect of each Notional Preferred Unit on a return of assets in such winding-up was an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions in respect of which the Issuer has given notice to the Perpetual Securityholders in accordance with the Conditions of the Perpetual Securities.
No set-off in relation to Subordinated Perpetual Securities	Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the relevant Issuer or the Guarantor in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the relevant Issuer and the Guarantor. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the relevant Issuer or the Guarantor in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the relevant Issuer, the Guarantor or, as the case may be, FCT (or, in the event of the winding-up or administration of FCT MTN or FCT, the liquidator or, as appropriate, administrator of FCT MTN or FCT) and, until such time as payment is made, shall hold such amount in trust for the relevant Issuer, the Guarantor or, as the case may be, FCT (or the liquidator or, as appropriate, administrator of FCT MTN or FCT) and accordingly any such discharge shall be deemed not to have taken place.
Optional Redemption	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the relevant Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Perpetual Securityholders, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.

Tax Redemption	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if: (i) the relevant Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7 of the Perpetual Securities, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, or as a result of a position adopted by any political subdivision or any authority of or in Singapore having power to tax, which causes the Perpetual Securities not to qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore (the "**ITA**"), which position becomes effective on or after the Issue Date or any other date specified in the Pricing Supplement; and (ii) such obligations cannot be avoided by the relevant Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.
Redemption for Accounting Reasons	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS**") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the relevant Issuer (the

	"**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of the relevant Issuer pursuant to the Relevant Accounting Standard.
Redemption for Tax Deductibility	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the relevant Issuer satisfies the Trustee immediately before giving such notice that, as a result of: (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities; (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities; or (iii) any applicable official interpretation or pronouncement (which, for the avoidance of doubt, includes any ruling) which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced on or after the issue date of such Perpetual Securities, payments by the relevant Issuer or, as the case may be, the Guarantor, which would otherwise have been tax deductible to FCT or, as the case may be, FCT MTN, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by FCT or, as the case may be, FCT MTN, for Singapore income tax purposes.
Redemption upon a Regulatory Event	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix, or any change in the application or official interpretation of the Property Funds Appendix, the Securities will count towards the Aggregate Leverage as defined in the Conditions of the Perpetual Securities under the Property Funds Appendix.

Redemption upon a Ratings Event	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of the Rating Agency as defined in the Conditions of the Perpetual Securities specified thereon (or any other rating agency of equivalent recognised standing requested from time to time by the Issuer to grant a rating to the Issuer or the Perpetual Securities) and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned or which would have been assigned on the Issue Date (in the case of such Rating Agency) or assigned at the date when equity credit is assigned for the first time (in the case of any other rating agency).
Redemption in the case of Minimal Outstanding Amount	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.
Redemption upon a Change of Control	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if Frasers Centrepoint Asset Management Ltd. (the "**REIT Manager**") resigns or is removed as manager of FCT and a replacement or substitute manager is not appointed in accordance with the FCT Trust Deed.
Limited right to institute proceedings in relation to Perpetual Securities	Notwithstanding any of the provisions in Condition 9 of the Perpetual Securities, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the relevant Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.

Proceedings for Winding-Up	If (i) a final and effective order is made or an effective resolution is passed for the winding-up of the relevant Issuer and/ or the Guarantor or (ii) the relevant Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than five business days, the relevant Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d) of the Perpetual Securities, institute proceedings for the winding-up of the relevant Issuer and/or the Guarantor and/or prove in the winding-up of the relevant Issuer and/or the Guarantor and/ or claim in the liquidation of the relevant Issuer and/or the Guarantor for such payment.
Taxation	Where the Perpetual Securities are recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities and the Coupons by the relevant Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. Where the Perpetual Securities are not recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities and the Coupons by the relevant Issuer or, as the case may be, the Guarantor may be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax in the same manner as distributions on ordinary units of FCT, and the FCT Trustee may be obliged (in certain circumstances) to withhold or deduct tax at the prevailing rate (currently 10.0 per cent. Or 17.0 per cent.) under Section 45G of the ITA. In that event, the relevant Issuer or, as the case may be, the Guarantor will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of the Perpetual Securities for or on account of any such taxes or duties. For further details, please see the section “Taxation – Singapore taxation” herein.
Listing and Admission to Trading	Each Series of the Perpetual Securities may, if so agreed between the relevant Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained. Unlisted Series of Perpetual Securities may also be issued pursuant to the Programme.

Selling Restrictions	The United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore and Japan. For the purposes of Regulation S, Category 2 selling restrictions shall apply. For a description of certain restrictions on offers, sales and deliveries of Perpetual Securities and the distribution of offering material relating to the Perpetual Securities, see the section on "Subscription and Sale" herein. Further restrictions may apply in connection with any particular Series or Tranche of Perpetual Securities.
Governing Law	English law, save that the subordination provisions in Condition 3(b) of the Perpetual Securities will be governed by, and shall be construed in accordance with, Singapore law, or Singapore law (as specified in the applicable Pricing Supplement).

RISK FACTORS

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

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

RISKS RELATING TO FCT'S PROPERTIES

Renovation or redevelopment works or physical damage to FCT's properties may disrupt the operations of FCT and collection of rental income or otherwise result in an adverse impact on the financial condition of FCT

The quality and design of FCT's properties have a direct influence over the demand for space in and the rental rates of FCT's properties, as well as the ability to continue attracting strong shopper traffic. FCT's properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and attractiveness to tenants and shoppers and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop over structural defects or other parts of buildings or because of new planning laws or regulations. The costs of maintaining a property and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages.

Furthermore, while the FCT Manager and the FCT Property Manager will endeavour to keep any disruptions caused by such renovation or redevelopment works to a minimum, the business and operations of FCT's properties may still suffer some disruption and it may not be possible to collect the full rental rate of, or, as the case may be, any rental income on space affected by such renovation or redevelopment works. Shopper traffic, tenants' sales and occupancy may also be adversely affected by potential inconveniences resulting from such renovation or redevelopment works. If any leases are due for renewal at that time, the existing tenants may either choose not to renew the leases upon their expiry or negotiate for lower rental rates and this will adversely affect the revenue of the relevant property.

In addition, physical damage to FCT's properties resulting from fire or other causes may lead to a significant disruption to the business and operation of FCT's properties and, together with the foregoing, may cause FCT to incur unforeseen costs and result in an adverse impact on the financial condition and results of operations of FCT and its ability to meet required payments of principal and interest on its indebtedness.

FCT's properties are predominantly located in Singapore, which exposes FCT to economic and real estate market conditions in Singapore (including increased competition in the real estate market), as well as changes in regulatory, fiscal and other governmental policies

FCT's properties are based in Singapore, which exposes FCT to the risk of a downturn in economic conditions in Singapore. FCT's properties are predominantly located in the suburban residential areas of Singapore and as such, FCT's Gross Revenue[1] and results of operations depend, to a large extent, on the performance of the Singapore economy. An economic decline in Singapore could adversely affect FCT's results of operations and future growth.

The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries.

On 31 January 2020, the UK officially exited the European Union ("**Brexit**"). The effect of Brexit remains uncertain, and it is unclear the extent of the impact that Brexit would have on the fiscal, monetary and regulatory landscape within the UK, the European Union and globally. Brexit has and may continue to have a negative economic impact and may increase volatility in the global market.

Although Brexit is unlikely to have any direct impact on FCT's current operations and business, it is likely to further increase market volatility and economic uncertainty, which could adversely affect FCT's results, financial condition and prospects. There are multiple uncertainty factors in connection with the future of the UK and its relationship with the EU, and it is not possible, at present, to determine the full impact of Brexit and/or any related matters which may have an impact on the global economic condition.

In addition, a slowdown in the economic growth of China is also likely to impinge upon the health of the global financial system. These events could adversely affect FCT insofar as they result in:

- a negative impact on the ability of the tenants to pay their rents or fees in a timely manner or continuing their leases, thus reducing FCT's cash flows;

- an increase in counterparty risk (being the risk of monetary loss which FCT may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or

- an increased likelihood that one or more of (i) FCT's banking syndicates (if any), (ii) the banks or insurers, as the case may be, providing bankers' guarantees or performance bonds for the rental deposits or other types of deposits relating to or in connection with FCT's properties or FCT's operations, or (iii) FCT's insurers may be unable to honour their commitments to FCT.

[1] "**Gross Revenue**" consists of base rental income (after rent rebates, refunds, credits or discounts and rebates for rent free periods, where applicable, but excluding turnover rent), service charge payable by tenants, and other income including revenue from car parking facilities, turnover rent, licence fees, casual leasing such as rental of kiosks, rental of atrium space and other miscellaneous income.

FCT's current portfolio is predominantly based in Singapore. Hence, if FCT were to invest in properties in an overseas market, the additional uncertainties from the local market conditions, competition landscape and economic environment in the overseas market will increase FCT's risks, which may adversely affect the performance of FCT.

FCT's activities may also be impacted by changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and governmental charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the relevant properties of FCT (including leasing arrangements with FCT's tenants) may also be restricted by (i) legislative action, such as revisions to the laws relating to building standards or town planning laws or the enactment of new laws relating to government appropriation and redevelopment and/or (ii) real estate industry frameworks or codes which FCT may be required to comply with, such as the Fair Tenancy Framework or the Code of Conduct for Leasing of Retail Premises in Singapore.

The performance of FCT may also be adversely affected by a number of local real estate market conditions, such as the attractiveness of competing properties, an oversupply of leasing space or reduced demand for leasing space.

A substantial number of the leases for FCT's properties are for terms of three years, which exposes such properties to significant rates of lease expiries each year

A substantial number of the leases for FCT's properties are for terms of three years, which reflects the general practice in the Singapore retail property market. As a result, these properties experience lease cycles in which a substantial number of the leases expire each year. This exposes FCT to certain risks, including the risk that vacancies following the non-renewal of leases may lead to reduced occupancy rates, which will in turn reduce FCT's Gross Revenue. If a large number of tenants do not renew their leases in a year in which a substantial number of leases expire, this could adversely affect FCT's Gross Revenue. For more information, please refer to "Description of Frasers Centrepoint Trust - Key Portfolio Statistics and Details - Lease Expiry Profile of FCT's Retail Portfolio" section on page 174 of this Offering Circular.

FCT may suffer material losses in excess of insurance proceeds or FCT may not be able to put in place or maintain adequate insurance in relation to FCT's properties and its potential liabilities to third parties

FCT's properties could suffer physical damage caused by fire or other causes or FCT may suffer public liability claims, all of which may result in losses (including loss of rent) that may not be fully compensated by insurance proceeds. In addition, certain types of risks (such as war, acts of God, acts of terrorism and losses caused by the outbreak of communicable diseases) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, FCT's insurance policies for FCT's properties do not cover acts of war and have limited coverage for acts of terrorism and outbreak of communicable diseases. Any insurance coverage taken out by FCT or its subsidiaries may also be subject to limits and any damage or loss suffered by FCT may exceed such insured limits.

Should an uninsured loss or a loss in excess of insured limits occur, including loss caused by vandalism or resulting from breaches of security at FCT's properties, FCT could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that property. FCT would also remain liable for any debt or other financial obligation related to that property as it may not be able to rent out or sell the affected property. FCT may also be liable for any debt or other financial obligation that has recourse to FCT and may be liable for any mortgage indebtedness or other financial obligations in relation to the affected property. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage for FCT's properties will be available in the future on commercially reasonable terms or at commercially reasonable rates. Such an event would adversely affect FCT's business, financial condition and results of operations.

The Gross Revenue earned from, and the value of, FCT's properties may be adversely affected by a number of factors

The Gross Revenue earned from, and the value of, FCT's properties and consequently FCT's financial condition and results of operations, may be adversely affected by a number of factors, including:

- the FCT Property Manager's ability to collect rent from tenants or their guarantors on a timely basis or at all;
- the amount and extent to which FCT is required to grant rental rebates to tenants due to market pressure and/or mandatory directives from the government;
- defects affecting FCT's properties that could result in the inability of the relevant tenants to operate on the relevant properties and thereby resulting in the inability of such tenants to make timely payments of rent;
- any waivers of interest on late payment of rent granted by FCT to its tenants;
- tenants or their guarantors seeking the protection of bankruptcy laws, which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease, or which could hinder or delay the re-letting of the space in question or the sale of the relevant property of FCT;
- the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, retail or office space, changes in market rental rates and operating expenses for FCT's properties);
- an inability to renew leases or re-let space as existing leases at the properties expire;
- vacancies following non-renewal or pre-termination of leases that result in lower occupancy rates, which reduce FCT's Gross Revenue and its ability to recover certain operating costs through service charges;
- the amount of rent payable by tenants and other terms on which tenancy renewals and new tenancies are agreed on terms and conditions less favourable than those under current tenancies;
- the FCT Manager's ability to provide adequate management and maintenance, or to purchase or put in place adequate insurance in relation to FCT's properties;
- the need to renovate and repair areas of the FCT's properties periodically;
- competition for tenants from other retail or office properties, which may affect rental levels or occupancy rates at FCT's properties;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the relevant properties of FCT may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and
- acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases, natural disasters, environmental phenomena (for example, haze) and other events beyond the control of the FCT Manager.

Properties held by FCT may be subject to increases in property tax, FCT Property Manager's fees, maintenance expenses, utilities and other property expenses ("Property Expenses") and other operating expenses

FCT's ability to make payments under the Securities could be adversely affected if Property Expenses and other operating expenses, such as maintenance and sinking fund charges, property management fees, property taxes, marketing expenses, utilities and other operating expenses increase without a corresponding increase in Gross Revenue from FCT's properties.

Factors which could increase Property Expenses and other operating expenses include:

- increases in property tax rates and other statutory charges;
- changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies due to increased management expenses or unforeseen capital expenditure;
- change in direct or indirect tax policies, laws or regulations;
- increase in labour and repair costs;
- increases in utility tariff and carbon tax rates;
- increases in sub-contracted service costs;
- increases in the rate of inflation;
- increases in insurance premiums;
- damage or defects affecting, or environmental pollution in connection with, FCT's properties which need to be rectified, leading to unforeseen operating expenses and capital expenditure; and
- increases in any maintenance and sinking fund contributions payable to management corporations.

Amenities and transportation infrastructure near properties in FCT's portfolio may be closed, relocated or terminated or the commencement of their operations may be delayed

The proximity of amenities and transportation infrastructure such as train stations and bus interchanges to properties in FCT's portfolio influences the demand for and hence the occupancy of FCT's properties. There is no assurance that the amenities, transportation infrastructure and shuttle services will not be closed, relocated or terminated in the future, or that the commencement of their operations will not be delayed. Such closure, relocation, termination or delay may adversely affect the accessibility of FCT's properties and consequently FCT's business, financial condition and results of operations.

FCT's properties may be subject to additional risks not discovered at the time of acquisition of such properties

While the FCT Manager believes that reasonable due diligence investigations have been conducted with respect to its properties prior to acquiring them, there can be no assurance that such due diligence investigations have revealed all defects or deficiencies, including latent defects, requiring repair or maintenance or payment or other obligations to third parties, other than those disclosed in this Offering Circular, thereby causing FCT to incur significant capital expenditures, special repair or maintenance expenses, or be affected by breaches of law and regulations. The risk of undisclosed defects, breaches and deficiencies is potentially increased as a result of the time interval between completion of such due diligence investigations and the date of this Offering Circular. In addition, FCT's properties may be in breach of laws, regulations (including those in relation to real estate) or the provisions of the title documents relating to such properties or there may be a failure to comply with certain regulatory requirements or the underlying land lease relating to some of FCT's properties may have been granted by the relevant lessor without having obtained the relevant approvals, which the due diligence investigations at the time of acquisition did not uncover. As a result, FCT may incur additional financial or other obligations or adverse legal liabilities in relation to such breaches, non-compliance or absence of relevant approval. Such undisclosed risks may have an adverse effect on the business, financial condition and results of operations of FCT.

The properties acquired, including future properties to be acquired, by FCT, may require significant capital expenditure periodically and FCT may not be able to secure funding

The properties acquired, including future properties to be acquired, by FCT may require periodic capital expenditure, refurbishment, renovation for improvements and development in order to remain competitive or be income-producing. FCT may not be able to fund its capital expenditure solely from cash provided from its operating activities and FCT may not be able to obtain additional equity or debt financing on favourable terms or at all. If FCT is not able to obtain such financing, the marketability of such property may be affected and this may adversely affect the business, financial condition and results of operations of FCT.

FCT's assets might be adversely affected if the FCT Manager and/or the FCT Property Manager do not provide adequate management and maintenance

As the tenants rely on the proper functioning of the facilities and infrastructure of FCT's properties for their business operations, should the FCT Manager and/or the FCT Property Manager fail to provide adequate management and maintenance, the attractiveness of FCT's portfolio to such tenants might be adversely affected and this may result in a loss of tenants, which will adversely affect the business, financial condition and results of operations of FCT.

The appraisals of FCT's properties are based on various assumptions and the price at which FCT is able to sell its property in the future may be different from the initial acquisition value of its property

There can be no assurance that the assumptions relied on are accurate measures of the market, and the values of FCT's properties may be evaluated inaccurately. The valuers may have included a subjective determination of certain factors relating to FCT's properties such as their relative market positions, financial and competitive strengths, and physical condition and, accordingly, the valuation of such properties may be subjective.

The valuation of any of FCT's properties does not guarantee a sale price at that value at present or in the future. Hence, the price at which FCT may sell its property may be lower than its purchase price.

FCT's properties or a part of them may be acquired compulsorily by the respective governments in the countries in which such properties are located

FCT's properties comprise properties that are located in Singapore. Under the laws and regulations of Singapore, there are various circumstances under which the Singapore government is empowered to compulsorily acquire property.

In the event that the compensation paid for the compulsory acquisition of a property of FCT is less than the market value of the property, such compulsory acquisitions would have an adverse effect on the revenue of FCT and the value of its asset portfolio.

FCT holds certain properties on leasehold title

FCT may not be able to renew its lease of properties held on leasehold titles when their terms expire, for example if the lessor intends or has agreed to pull down and rebuild, or to reconstruct the premises, and has planning permission for the works or if for any reason the creation of a new lease would not be consistent with good estate management or where renewal options are revoked as a result of a breach by FCT of the relevant lease.

FCT is subject to the risk of non-renewal, non-replacement or early termination of leases

If tenants choose not to renew their leases at the end of their term or if certain tenants exercise the rights of early termination contained in their leases and replacement tenants cannot be found in a timely manner and on terms acceptable to the FCT Manager, there is likely to be an adverse impact on the business, financial condition and results of operations of FCT. This impact could be aggravated due to the ongoing COVID-19 pandemic. The Singapore government has introduced relief measures to assist qualifying businesses to cope with rental payments during the COVID-19 pandemic, including mandating commercial landlords to provide rental rebates to eligible tenants. However, there is no assurance that such relief measures will be of sufficient scope, effect or duration to avoid any consequential impact to FCT.

FCT's investment strategy may entail a higher level of risk as compared to other types of unit trusts that have a more diverse range of investments

FCT is established with the principal investment strategy of, as at the date of this Offering Circular, investing in income-producing properties used primarily for retail purposes, in Singapore and overseas. This investment strategy subjects FCT to concentration risks, which is higher as compared to a diversified portfolio comprising real estate properties in different sub-sectors such as office, logistics and industrial, healthcare and data centres.

The concentration of retail properties located primarily in Singapore exposes FCT to the risk of a downturn in the retail property market and in Singapore. Any economic slowdown in Singapore could negatively affect the performance of the retail property market. The renewal of leases in FCT's properties will depend, in part, upon the success of its tenants. Any economic downturn may cause higher levels of non-renewals of lease arrangements or vacancies as a result of failures or defaults by tenants or the market pressures exerted by an increase in available retail properties. There can be no assurance that the tenants of FCT's properties will renew their leases or that the new leases will be as favourable as the existing leases.

Such downturns may lead to a decline in occupancy for properties or real estate-related assets in FCT's portfolio. This will affect FCT's rental income from its properties and/or a decline in the capital value of FCT's portfolio, which will have an adverse impact on the business, financial condition, results of operations and prospects of FCT.

FCT may face significant expenditures if a customer fails to remove its equipment and restore its space to the original state

FCT's tenants may have customised infrastructure. If a customer fails to reinstate its space at the expiry of its lease, or if it becomes insolvent during its lease and FCT is unable to recoup the costs of reinstatement to a lettable condition, FCT may incur downtime costs and vacancy risks.

Downturns in the retail industry will likely have a direct impact on FCT's revenues and cash flow

FCT's financial performance is linked to general economic conditions in the markets for retail space. The demand for retail space in the countries in which FCT operates could be adversely affected by a downturn in national and global economies, pandemic outbreak, decline in tourism, increased consumer preference for online shopping, changes in laws and regulations affecting retail industry (including without limitation changes in taxation and zoning laws), shortage of man labor, operating cost inflation and etc. To the extent that any of these factors occur, they are likely to impact demand and market rents of retail spaces, which will then affect the operating and financial performance of FCT, the valuation of its assets and its ability to make payments on the Securities. The retail industry is subject to changing trends and FCT's success is dependent upon the ability of its retail tenants to supply goods responsive to such changes.

RISKS ASSOCIATED WITH THE GROUP'S BUSINESS AND OPERATIONS

The outbreak of an infectious disease, widespread communicable diseases or the occurrence of any other serious public health concerns in Asia and elsewhere could adversely impact the business, financial condition, results of operations, performance and prospects of the Group

The outbreak of epidemics, debilitating disease or infectious disease of pandemic nature in Singapore, such as Middle East respiratory syndrome coronavirus (MERS), Ebola, the Zika virus, severe acute respiratory syndrome (SARS), avian influenza, H1N1 (commonly referred to as "swine flu") and COVID-19, could have negative impacts on the regional and/or global economy, and may result in an adverse development in the supply of or demand for property (including retail, commercial, residential, industrial and hospitality property), in property prices or in FCT's ability to retain or renew existing leases or attract new tenants in its properties, reducing occupancy rates, heightening insolvency rates or delays in the payment of rent by the tenants of FCT's properties, a decline in demand for consumer goods, a reduction in the number of visitors to the retail property and increased costs of cleaning and maintaining the public facilities in the retail property, which would in turn have a material and adverse effect on the Group's business, financial condition, results of operations, performance and prospects.

Novel Coronavirus 2019 ("COVID-19") Pandemic

On 11 March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The COVID-19 pandemic has resulted in, among other things, ongoing travel and transportation restrictions, prolonged closures of venues, workplaces and schools, suspension of business activities and major events, strict movement controls and lockdowns in certain countries, extended delays and increased volatility in international capital markets. Given the uncertainties as to the development of the COVID-19 pandemic, it is difficult to predict how long such conditions will last and the extent to which FCT may be affected by such conditions.

The emergence of the COVID-19 pandemic has disrupted the global economy, created high degrees of uncertainty and put social resilience to the test. In an effort to curb the spread of COVID-19, many countries imposed various safe management measures, including temporary shutdowns, travel restrictions, quarantines, and cancellation and/or suspension of activities, events and gatherings. This in turn, disrupted global supply chains and trades as well as lowered consumption and consumer spending generally. These may negatively impact the Group's business and its tenants' business and the demand for retail or commercial properties, which could have a material adverse effect on the Group's business and results of operations.

Furthermore, the Group's revenue and operating results is highly dependent on the demand for retail and commercial properties. A decline in the retail and commercial industries due to a reduction in economic activity, domestic consumption and tourism could reduce demand for the products and services of some of FCT's tenants. The disruption to business and economic activities due to the pandemic is also expected to lead to a rise in unemployment and may in turn lead to a reduction in demand for retail or commercial properties in a vicious cycle. These factors could reduce the demand and rental rates for FCT's properties, and adversely affect some of FCT's tenants' ability or willingness to pay rent. This may lead to higher vacancy rates in FCT's properties due to softer leasing demand. In certain extreme cases, such as during the circuit breaker period in 2020, the Government could impose temporary rules that restrict or suspend certain business operations, thereby affecting the ability of FCT's tenants to generate revenue.

In addition, shoppers to retail properties could be concerned about the various safe management measures put in place by the retail property operators and the Government to curb the spread of COVID-19, and hence reduce their frequency of visits to these retail properties or avoid visiting them altogether. The suspension of large scale and public events during the prevailing COVID-19 period could also cause temporary or long-term disruptions in the business and operations of tenants in FCT's properties, and in turn adversely affect the rental revenue generated from such tenants. Any of these developments could have a material and adverse effect on the Group's business and results of operations.

In light of these, the FCT Manager may be requested to provide for rental rebates and for the deferral of rental payments. These factors have adversely impacted the ability of FCT to seek new tenants, and have in turn adversely affected the revenue earned from FCT's retail properties. Rental rates may also be affected by the negative economic impact caused by the COVID-19 pandemic, and retail and commercial tenants may not renew their leases or may request a lower rental rate following the expiry or termination of their leases. If any of these factors continue to occur, the Group may be unable to lease its retail or commercial properties on commercially viable terms or at all, which may in turn adversely affect the Group's performance.

In addition, with the rise of e-commerce and online shopping, retailers, including FCT's retail tenants, have and may develop their own online shopping platforms to decrease their dependence on traditional retail channels, including conventional "brick-and-mortar" shops. Even as the pandemic situation improves, FCT's retail properties may be unable to attract new tenants following the expiry or termination of leases, which may in turn adversely affect the revenue earned from FCT's retail properties.

The COVID-19 pandemic may also increase demand for decentralised office space and/or cause wider adoption of flexible work-from-home arrangement in Singapore. If COVID-19 and the associated economic uncertainty continue to persist, this may reduce the demand for FCT's office space, which may adversely affect the revenue earned from FCT's office properties.

There is also a risk that the government may impose restrictions on landlords, such as FCT, on the termination or enforcement of leases or require the deferral and/or waiver of rent for a period of time. There is also an increase in tenants' solvency risk and likelihood of FCT granting a deferral or waiver of rent or outgoing payments to financially assist its tenants for a period of time.

The potential effects of the COVID-19 pandemic on the Group's business include, but are not limited to, adverse impacts on rental revenue in relation to the Group's investment properties, adverse impacts on the valuation of its assets, solvency issues experienced by the Group's tenants as well as counterparties to the Group's contractual arrangements, adverse legislative changes (such as the suspension of contractual rights and obligations and mandatory rental relief), reduction in demand for workspaces and retail units, increases to the Group's labour and other costs, adverse impacts to its existing and future projects (including delays to and/or suspension of any planned or potential development, redevelopment and/or asset enhancement initiatives as well as acquisitions or divestments of assets or businesses by the Group and shutdowns of the Group's development sites and workplaces), renegotiation of terms (as well as claims) in relation to any existing projects and/or contractual arrangements (including tenancies), civil unrest in the countries in which the Group's properties are located, any or a combination of which may have a material and adverse impact on the Group's business, results of operations, financial condition, performance and prospects.

There is no assurance that the Group will not, in future, experience more severe disruptions in the event that more stringent quarantine measures are imposed or if the COVID-19 pandemic worsens. This could in turn cause further deterioration in the business, financial condition, results of operations, performance and prospects of the Group. The actual extent of the outbreak and its impact on the domestic, regional and global economy remains uncertain, and the actual extent of the impact on the Group's performance will depend on, among other things, the duration and impact of the COVID-19 pandemic.

The ultimate extent of the impact of any epidemic, pandemic or other health crises on the business, financial condition, results of operations and performance of FCT will depend on future developments, which are highly uncertain, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crises and actions taken to contain or prevent their further spread, among others. Past occurrences of epidemics, depending on their scale, have caused different degrees of damage to national and regional economies. An outbreak of health epidemic or contagious disease may further have a negative economic impact and decreased viability in the global market. This may adversely affect FCT's business, financial condition, results of operations and performance. Such an outbreak may also adversely affect the ability of FCT to resume or sustain normal operations.

Apart from the COVID-19 pandemic, the occurrence of any other outbreak of infectious disease or serious public health concerns, or the measures taken by the governments of affected countries, against such an outbreak, such as the imposition of quarantines and lockdown measures, could severely disrupt FCT's business operations and undermine investor confidence, thereby materially and adversely affecting the financial condition, results of operations and performance of FCT.

The extent and duration of the impact of COVID-19 on the Group's business over the long term is dependent on future developments that cannot be accurately predicted at this time, such as the severity and transmission rate of new COVID-19 variants, the extent and effectiveness of containment actions taken, including mobility and travel restrictions, the efficacy of vaccines, and the impact of these and other factors on consumer and business behaviour. To the extent that the COVID-19 pandemic adversely affects the Group's business and financial performance, it may also have the effect of exacerbating many of the other risks identified in this section. There is no assurance that the precautionary measures taken against any pandemics (including any measures taken by FCT, the FCT Manager or the FCT Property Manager) would be effective. A future outbreak of any pandemics or any other serious public health concern in Singapore or in the jurisdictions in which FCT operates in or relies on could seriously harm FCT's business and may have any of the consequences in connection with the COVID-19 pandemic as set out below. For more details, please refer to "Description of Frasers Centrepoint Trust - COVID-19 Pandemic" section appearing at page 155 of this Offering Circular.

Uncertainties and instability in global financial and credit markets may adversely affect FCT's business, financial condition, results of operations and prospects

The global financial markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation failure or near-failure of a number of institutions in the banking and insurance industries. The COVID-19 pandemic has had significant adverse impacts on the global economy. See "*Risks Associated with the Group's Business and Operations – The outbreak of an infectious disease, widespread communicable diseases or the occurrence of any other serious public health concerns in Asia and elsewhere could adversely impact the business, financial condition, results of operations, performance and prospects of the Group*" for more information.

In addition, concerns, inter alia, about the escalating political tensions between the U.S. and China, the outlook for the economy in China, Hong Kong and Macau, and the impact of the departure of the United Kingdom from the European Union (Brexit) have continued to have a significant impact on the global credit and financial markets as a whole and could undermine the stability of global economies. Further, other events, such as the significant volatility in oil prices, have had significant impact not only on the global capital markets associated with asset-backed securities, but also on the global credit and financial markets as a whole.

The Singapore economy is affected by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including Singapore. Such uncertain and unfavourable economic and political conditions could have a collateral effect on the growth and financial performance of trade-exposed economies such as Singapore. A loss of investor confidence in the financial systems of other markets may cause volatility in Singapore's financial markets and, indirectly, in Singapore's economy in general. Any worldwide financial instability could also have a negative impact on Singapore's economy. FCT has no control over such conditions and developments and can provide no assurance that such conditions and developments will not adversely affect its operations.

These events have damaged and may continue to damage market confidence and general sentiment, and access to and costs of funding, and may slow down the activity of FCT and have other impacts on the entities with which it does business. This could adversely affect FCT, insofar as they result in:

- a negative impact on the ability of its tenants to pay their rents in a timely manner or to continue their leases, thereby reducing FCT's cash flow;
- decreases in valuations of the properties in which FCT has interests, resulting in deteriorating operating cash flow and/or widening capitalisation rates;
- decreases in rental or occupancy rates;
- an adverse effect on the cost of funding FCT's business;
- a general increase in counterparty risk, resulting in defaults, non-payment and non-performance of essential services;
- the insolvency of contractors, resulting in construction delays;
- higher financing costs, resulting in constraints on FCT's ability to raise funds;
- an increased likelihood that one or more of FCT's banking syndicates or insurers may be unable to honour their commitments;
- a change in shopping behaviour; and
- inflationary concerns, resulting in a reduction of FCT's real income.

There is still uncertainty as to whether the global economy will worsen, or whether a recovery would be slow and over an extended period of time, with a decrease in consumer demand and the global downturn impacting the Singapore economy. There is no assurance that the uncertainties and instability in the global markets will not have a substantial adverse effect on FCT's assets or funding sources and, if sustained, will not adversely affect its business, financial condition, results of operations and prospects.

Occurrence of any acts of God, severe weather conditions, widespread communicable diseases, natural disasters, war, terrorist attacks, riots, civil commotions and other events beyond the control of FCT may adversely and materially affect the business and operations of FCT's properties

Acts of God, such as natural disasters, severe weather conditions and widespread communicable diseases, war, terrorist attacks, riots and civil commotions are beyond the control of FCT or the FCT Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. FCT's business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operation of FCT's properties, or result in FCT being liable for associated costs.

In addition, physical damage to FCT's properties resulting from fire, earthquakes, flooding or other acts of God may lead to a significant disruption to the business and operation, of FCT's properties which may result in an adverse impact on the business, financial condition and results of operations of FCT and its capital growth.

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

FCT's property investments and therefore income generated from its properties are subject to various risks incidental to the ownership and management of commercial properties including, among other things:

- competition for tenants, which may lead to vacancies or an inability to rent space on favourable terms;
- changes in market rents;
- inability to renew leases or re-let space as existing leases expire;
- inability to dispose of major investment properties for the values at which they are recorded in FCT's financial statements;
- increased operating costs due to safe management measures implemented amid the COVID-19 pandemic;
- increased operating costs, including real estate taxes;
- defects affecting FCT's properties that need to be rectified, or other required repair and maintenance of FCT's properties, leading to unforeseen capital expenditure;
- adverse changes to political or economic conditions;
- financial condition of tenants;
- adverse local market conditions (such as oversupply of properties or reduction in demand for properties in the market in which FCT operates);
- the availability of financing such as changes in availability of debt or equity financing, which may result in an inability by FCT to finance future acquisitions on favourable terms or at all;
- changes in interest rates and other operating expenses;

- changes in environmental laws and regulations, zoning laws and other governmental laws, regulations and rules and fiscal policies (including tax laws and regulations);
- environmental claims in respect of real estate;
- changes in energy prices;
- changes in the relative popularity of real estate that are predominantly used for retail or office purposes and locations leading to an oversupply of space or a reduction in customer demand for a particular type of retail or office property in a given market;
- inability to collect rents from tenants on a timely basis or at all due to bankruptcy or insolvency of the tenants or otherwise;
- insufficiency of insurance coverage or increases in insurance premiums;
- increase in the rate of inflation;
- inability of the property managers to provide or procure the provision of adequate maintenance and other services;
- fluctuations in the value of real estate;
- considerable dependence on cash flows for the maintenance of, and improvements to, FCT's properties;
- any defects or illegal structures that were not uncovered by physical inspection or due diligence review;
- management style and strategy of the FCT Manager;
- the attractiveness of FCT's properties to current and potential tenants;
- the cost of regulatory compliance;
- ability to rent out the properties of FCT on favourable terms; and
- power supply failure, acts of God, wars, terrorist attacks, uninsurable losses and other factors.

Many of these factors may cause fluctuations in occupancy rates, rental rates or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of FCT's properties will reflect such factors and as a result may fluctuate upwards or downwards. The capital value of FCT's real estate assets may be significantly diminished in the event of a sudden downturn in real estate market prices or Singapore's economy, which may adversely affect the business, financial condition and results of operations of FCT.

FCT faces risks associated with debt financing and loan facilities and the debt covenants could limit or affect FCT's operations

FCT is subject to risks associated with debt financing, including Securities, which may be issued or guaranteed by FCT. Such risks include the risk that its cash flow may be insufficient to meet required payments of its indebtedness.

If FCT defaults under any debt financing facilities extended to it and its subsidiaries and/or payments on the Securities issued or debt guaranteed by FCT is not repaid on time, the lenders may be able to declare a default and initiate enforcement proceedings in respect of any security provided and/or call upon any guarantees provided.

FCT will also be subject to the risk that its existing borrowings may be terminated by the lenders upon occurrence of certain events and it may not be able to refinance its existing borrowings or that the terms of any refinancing may not be as favourable as the terms of its existing borrowings. In addition, FCT may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations and its ability to meet required payments of principal and interest on its indebtedness. Such covenants may also restrict FCT's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, FCT will not be able to repay all maturing debt. There is no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to FCT. Factors that could affect FCT's ability to procure financing include the cyclical nature of the property market and market disruption risks that could adversely affect the liquidity, interest rates and the availability of funding sources. For example, the subprime mortgage financial crisis had an adverse impact on availability and cost of funding. In addition, further consolidation in the banking industry in Singapore and/or elsewhere in Asia may also reduce the availability of credit as the merged banks seek to reduce their combined exposure to one company or sector.

FCT's level of borrowings may represent a higher level of gearing as compared to certain other types of investment funds, such as non-specialised collective investment schemes that invest in equities and/or fixed income instruments. If prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial property loans) result in higher interest rates, the interest expenses relating to such refinanced indebtedness would increase, thereby adversely affecting FCT's cash flows.

FCT is subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the original borrowings. FCT is subject to covenants that require it to maintain certain financial ratios (e.g. aggregate leverage ratio). The triggering of any such covenants may have an adverse impact on FCT's financial condition.

Distributions from FCT to Unitholders will be computed based on at least 90.0% of FCT's Distributable Income. As a result of this distribution policy, FCT may not be able to meet all of its obligations to repay any future borrowings through its cash on hand. FCT may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

FCT may be subject to risks related to its equity stake in Hektar REIT

Hektar REIT is listed on the Main Market of Bursa Malaysia Securities Berhad. As Hektar REIT's properties are all located in Malaysia, FCT's investment in Hektar REIT may be affected by risks relating to property investment in Malaysia. As Hektar REIT is listed on the Main Market of Bursa Malaysia Securities Berhad, the value of FCT's investment in Hektar REIT is affected by changes in the trading price of units in Hektar REIT. The trading price of units in Hektar REIT may be affected by various factors including, but not limited to, changes in the value of Hektar REIT's properties, changes in the level of distributions from Hektar REIT, changes in legal and tax laws and policies in Malaysia, and changes in general economic conditions. FCT's investment in Hektar REIT may be subject to currency fluctuation risks.

Some of the FCT's properties are jointly owned with third parties, which may have an impact on the liquidity, value and management of the relevant properties

Some of FCT's properties are jointly owned with third parties (by direct joint ownership or through partnerships/property holding companies/trusts or otherwise) and therefore, those FCT's properties are exposed to the ordinary risks relating to the partial and joint ownership of assets (by direct joint ownership or through partnerships/property holding companies/trusts or otherwise). Accordingly, the FCT Manager does not have sole discretion to manage these properties through the relevant partnerships/property holding companies/trusts/jointly owned properties. Under the relevant shareholders' agreements, partnership agreements, trust deeds or joint venture/owners agreements (as the case may be) relating to the partnerships/property holding companies/trusts/jointly owned properties that are not wholly owned by FCT, certain matters, such as amending the shareholders' agreements, partnership agreements,

joint venture/owners agreements and/or trust deeds, changing the business or equity structure, issuing securities, use of funds, borrowings and other credit activities, replacing the property manager and appointment of key personnel, may require a unanimous or majority shareholders'/partners'/owners' approval in respect of the relevant property or the relevant property holding entity.

There is no assurance that such unanimous or majority approval from the shareholders/partners/owners of the relevant FCT's properties or the relevant property holding entity can be obtained. Should the relevant approvals not be obtained, certain matters relating to the relevant FCT's properties, such as those relating to the operation of the relevant FCT's properties and the level of dividends to be declared in relation to the relevant FCT properties, may not be carried out and this may adversely affect FCT's financial condition and results of operations.

In addition, if the other shareholders/partners/owners of the relevant FCT's properties or the relevant property holding entity are obliged to contribute additional capital or funds in relation to the relevant FCT properties, but lack financial resources at the relevant time to meet these obligations, necessary capital or funds required for development or operations may be delayed or cancelled. This adds to the uncertainty of such collaborations and may adversely affect FCT's financial condition and results of operation.

FCT is subject to interest rate fluctuations

As at 30 September 2021, the Group had consolidated debt of S$1,815 million. Approximately 56.2% of the debt bears fixed interest rates or is hedged via interest rate swaps. The balance bears floating interest rates. Consequently, the interest cost to FCT for the floating interest rate debt will be subject to the risks of interest rate fluctuations.

FCT has entered into some hedging transactions and may enter into further hedging transactions to partially mitigate the risk of such interest rate fluctuations and protect itself from the effects of interest rate fluctuations on floating rate debt and exchange rate fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options, or entering into forward agreements. However, such hedging or FCT's hedging policy may not always have the desired beneficial effect on the results of operations or financial condition of FCT, and may not adequately cover its exposure to interest rate fluctuations or any increase in interest rates in new loans or refinancing of existing loans. As a result, its business, operations or financial condition could potentially be materially adversely affected by interest rate fluctuations. No hedging activity can completely insulate FCT from risks associated with changes in interest rates and exchange rates, and changes in foreign exchange rates for example, may negatively affect FCT's asset value.

Moreover, interest rate hedging could fail to protect FCT or adversely affect FCT because, among other things:

- the available hedging may not correspond directly with the risk for which protection is sought;
- the duration or nominal amount of the hedge may not match the duration or amount of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs the ability of FCT to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments and the significant loss in value of hedging instruments due to a writedown of fair value would reduce the NAV of FCT.

Hedging involves risks and typically involves costs, including transaction costs, that may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. The FCT Manager will regularly monitor the feasibility of engaging in such hedging transactions taking into account the cost of such hedging transactions.

FCT is exposed to general risks associated with relying on third-party contractors to provide various services

FCT engages or will engage third-party contractors to provide various services in connection with any commercial developments it may have and with the day-to-day operation of its properties and physical asset enhancement works, including construction, building and property fitting-out work, alterations and additions, interior decoration and installation of air-conditioning units and lifts. There can also be no assurance that the services rendered by such third parties will always be satisfactory or match FCT's targeted quality levels. FCT is exposed to the risk that a contractor may require additional capital in excess of the price originally tendered to complete a project and FCT may have to bear such additional amounts in order for the contractor to complete the project.

Furthermore, there is a risk that contractors may experience financial or other difficulties that may affect their ability to carry out construction works, thus delaying the completion of development projects or resulting in additional costs to FCT. All of these factors could adversely affect FCT's business, financial condition and results of operations.

The loss of key tenants or a downturn in the businesses of FCT's tenants could have an adverse effect on its financial condition and results of operations

As at 30 September 2021, the top ten tenants in FCT's Portfolio represent approximately 19.5% of gross rental generated by properties in the Portfolio. FCT's largest tenant by gross rental, NTUC, took up approximately 4.3% of NLA as at 30 September 2021, representing approximately 3.3% of gross rental generated. Many factors, including the financial position of the tenants, the ability of such significant tenants to compete with its competitors, material losses suffered by such tenants in excess of insurance proceeds and consequences of recent global economic conditions, may cause FCT's tenants to experience a downturn in their businesses or otherwise experience a lack of liquidity, which may weaken their financial condition and result in them failing to make timely rental payments or them defaulting under their leases. If any customer defaults or fails to make timely rent payments, FCT may experience delays in enforcing its rights as landlord, may not succeed in recovering rent at all and may incur substantial costs in protecting its investment.

FCT's business, financial condition and results of operations may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of its key tenants, including the decision by any such tenants not to renew their leases. If suitable replacements cannot be found in a timely manner or at all to replace key tenants who (1) have terminated their leases, (2) do not renew their leases at expiry or (3) have reduced their leased space in FCT's properties, or if the businesses and financial condition of its key tenants suffer a downturn, the business, financial condition and results of operations of FCT may be adversely affected.

The FCT Manager's strategy to perform asset enhancement initiatives on some of FCT's properties from time to time may not materialise

The FCT Manager may from time to time perform asset enhancement initiatives on some of the properties. There is no assurance that such plans for asset enhancement will materialise, or in the event that they do materialise, they may not achieve their desired results or may incur significant costs.

FCT depends on certain key personnel, and the loss of any key personnel may adversely affect its operations

FCT's performance depends, in part, upon the continued service and performance of members of the FCT Manager's senior management team and certain key senior personnel. These key personnel may leave the FCT Manager in the future or compete with the FCT Manager. The loss of any of these individuals, or of one or more of the FCT Manager's other key employees without suitable and timely replacements, could have a material adverse effect on FCT's business, financial condition and results of operations.

FCT may not be able to manage its growth successfully

There can be no assurance that FCT will be able to grow successfully. FCT's ability to achieve future growth will depend, inter alia, on its ability to acquire, develop or enhance its existing or new properties. FCT will rely on a combination of internal cash flows and resources and external sources of funding to acquire, develop or enhance its existing or new properties, which may not be available on commercially reasonable terms or at all. Even if FCT is successful in securing new assets or in developing or enhancing its existing assets, there can be no assurance that FCT will be able to achieve the intended returns or generate the intended revenue from such assets. Furthermore, FCT may face significant competition from other real estate companies or investors and managers of real estate assets in the acquisition, enhancement and management of retail and commercial properties. There can be no assurance that FCT will be able to compete effectively, or to secure such opportunities on commercially reasonable terms or at all. There are also reinvestment risks associated with divestments and the proceeds from divestments may not be redeployed effectively.

The anticipated future growth in FCT's business and assets may also challenge its managerial, operational, financial and other resources. The risks associated with FCT's anticipated future growth include, inter alia, the increasing operating complexity of its business and the increasing responsibility of its management. In turn, this will require the continued development of financial and management controls and systems and FCT's implementation of these systems across its business. Furthermore, FCT may face additional challenges in ensuring that adequate internal controls and supervisory procedures are in place. If FCT is unable to successfully manage the impact of FCT's growth on FCT's operational and managerial resources and control systems, this could have a material adverse effect on its business, financial condition or results of operations.

The Sponsor will be able to exercise influence over certain activities of FCT through its shareholding in the REIT Manager. There may be potential conflicts of interest between FCT, the FCT Manager, the FCT Property Manager, Frasers Property Limited ("FPL" or "Sponsor") and its related corporations (the "FPL Group")

FPL, its subsidiaries, related corporations and associates are engaged in, among others, property investment and management. As at 29 November 2021, the Sponsor holds approximately 41.13% of the Units. The FCT Manager is a wholly-owned subsidiary of the Sponsor.

Accordingly, the Sponsor may be able to exercise influence over the activities of FCT through the FCT Manager.

Further, the FCT Property Manager, a direct wholly-owned subsidiary of FPL, has been appointed to manage FCT's properties and may also be appointed as such for future properties in Singapore to be acquired by FCT. There can be no assurance that the FCT Property Manager will not favour properties that FPL has retained in its own property portfolio over those owned by FCT when providing leasing services to FCT, which could lead to lower occupancy rates and/or lower rental income for the properties owned by FCT as a whole.

Moreover, the FPL Group may in the future sponsor, manage or invest in other real estate investment trusts or other special purpose vehicles that may also compete directly with FCT. There can be no assurance that conflict of interests will not arise between FCT and/or the FPL Group in the future, whether in relation to the future acquisition of properties or in relation to competition for tenants, or that FCT's interests will not be subordinated to those of the FPL Group whether in relation to the future acquisition of properties or property-related investments or in relation to competition for tenants. There can be no assurance that the FPL Group will not favour properties that it has retained in its own property portfolio or that it manages or operates over those owned by FCT.

FCT faces risks in connection with the acquisition of properties from FPL or parties related to FPL

FCT may acquire properties from FPL or parties related to FPL in the future. There can be no assurance that the terms of acquisition of the properties which may be acquired in the future from FPL or parties related to FPL, the negotiations with respect to the acquisition of such properties, the acquisition value of such properties and other terms and conditions relating to the purchase of such properties (in particular, with respect to the representations, warranties and/or indemnities agreed) are not or, as the case may be, will not be, adverse to FCT or reflect or, as the case may be, will reflect, an arm's length acquisition of properties by FCT.

The FCT Manager may not be able to implement its investment strategy

The FCT Manager's investment strategy includes growing FCT's portfolio of retail properties. There can be no assurance that the FCT Manager will be able to implement its investment strategy successfully or that it will be able to expand FCT's portfolio at all, or at any specified rate or to any specified size. The FCT Manager may not be able to make acquisitions or investments on favourable terms or within a desired timeframe.

FCT faces active competition in acquiring suitable properties. FCT's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected. Even if FCT were able to successfully acquire property or investments, there is no assurance that FCT will achieve its intended return on such acquisitions or investments.

FCT will be relying on external sources of funding to expand its portfolio, which may not be available on favourable terms or at all. Since the amount of borrowings that FCT can incur to finance acquisitions is limited by the Property Funds Appendix, such acquisitions are likely to be largely dependent on FCT's ability to raise equity capital.

Furthermore, there may be significant competition for attractive investment opportunities from other real estate investors, including retail property development companies, private investment funds and other real estate investment funds whose investment policy is also to invest in retail properties. There can be no assurance that FCT will be able to compete effectively against such entities.

There is no assurance that the current ratings given in respect of FCT will be maintained or that the ratings will not be reviewed, downgraded, suspended or withdrawn in the future

Any ratings assigned by rating agencies to FCT or FCT's securities are based on the views of the relevant rating agency only at the relevant point in time. The ongoing COVID-19 outbreak and future events could have a negative impact on the ratings of FCT or FCT's securities and prospective investors should be aware that there is no assurance that ratings given will be maintained or that the ratings will not be reviewed, revised, suspended or withdrawn as a result of future events or if, in the judgement on the part of the relevant rating agency, circumstances so warrant. A downgrade or withdrawal of the rating may lead to FCT being unable to obtain future credit on terms which are as favourable as those of its existing borrowings, resulting in debts/borrowings at higher interest rates. Such an event could in turn adversely affect the financial condition of FCT.

FCT may be involved in legal and other proceedings from time to time

FCT may be involved from time to time in disputes with various parties such as tenants, shoppers, contractors, subcontractors, consultants, suppliers, construction companies, purchasers and other partners involved in the asset enhancement, operation and purchase of its properties. These disputes may lead to legal and other proceedings, and may cause FCT to suffer additional costs and delays. In addition, FCT may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable orders, directives or decrees that result in financial losses and delay the construction or completion of its projects. In the event that such proceedings are resolved in favour of other parties against FCT, there may be an adverse impact on the business, financial condition and results of operations of FCT.

Legal proceedings against FCT and/or its subsidiaries relating to property management and disputes over tenancies, personal injuries or other claims may arise from time to time. There can be no assurance that FCT and/or its subsidiaries will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operations or cash flows of FCT.

The properties held by FCT may be revalued downwards

There is no assurance that FCT will not be required to take an impairment on the valuation of the properties held by FCT in the future. Any decline in the gross revenue or net property income earned from FCT's properties may result in impairment on the valuation of the properties held by FCT. In addition, FCT is required to measure investment properties at fair value at each balance sheet date and any change in fair value of the investment properties is recognised in the statements of total return.

The changes in fair value may have an adverse effect on FCT's financial results in the financial years where there is a significant decrease in the valuation of FCT's investment properties, which will result in revaluation losses that will be charged to the statements of total return.

Changes in government legislation, regulations or policies that affect property demand directly or indirectly will adversely affect FCT's financial performance

The property market in Singapore is subject to government regulations. Such regulations include land and title acquisition, development planning, design and construction as well as mortgage financing and refinancing. In addition to imposing new rules, being the biggest supplier of land, the Singapore government also regulates the supply of land to developers from time to time so as to modulate the demand and supply of property in order to maintain an orderly and stable property market. There is no assurance that any changes in such regulations or policies imposed by the Singapore government will not have an adverse effect on FCT's financial performance. Also, there is no assurance that governments in other countries where FCT may look to undertake property acquisition would not impose similar restrictions on the supply of property.

FCT operates in a capital-intensive industry that relies on the availability of sizeable amounts of capital

FCT may require additional financing to fund working capital requirements, support the future growth of its business and/or refinance its existing debt obligations. The availability of external financing for FCT's capital investments depends on many factors outside its control, including money and capital market conditions and the overall performance of the economies in which it operates or has property investments. In particular, investors should note that the willingness of financial institutions to make capital commitments by way of investing in debt or equity instruments may be adversely affected for prolonged periods of time as a result of various events, as experienced in the past during the global financial crisis, the debt crisis in Europe, the political instability in the Middle East, the spread of epidemic diseases such as COVID-19 and the trade tensions between the United States and other countries such as China. Accordingly, FCT may face difficulties in raising funds for working capital purposes, to refinance existing debt or to finance future acquisitions of yield-accretive assets. If FCT does not have sufficient internal cash or external financing on acceptable terms, it may be unable to develop or enhance its Portfolio by acquiring assets when the opportunity arises, fund potential asset enhancements and any ongoing capital expenditure requirements or refinance its existing debt as and when it falls due.

Furthermore, future credit facilities may contain covenants that limit FCT's operating and financing activities and require the creation of security interests over assets. Accordingly, FCT's ability to meet payment obligations, refinance maturing debt and fund planned capital expenditure may depend solely on the success of its business strategy and its ability to generate sufficient revenue to satisfy its obligations, which are subject to many uncertainties and contingencies beyond its control, including those highlighted herein. As a result, FCT's business, financial condition and results of operations may be adversely affected.

If the FCT Manager's capital market services licence for REIT management ("CMS Licence") is cancelled or the authorisation of FCT as a collective investment scheme under Section 286 of the SFA is suspended, revoked or withdrawn, the operations of FCT will be adversely affected

As required under the licensing regime for REIT managers, the FCT Manager holds a CMS Licence issued by the Monetary Authority of Singapore ("**MAS**") to carry out REIT management activities.

The CMS Licence issued to the FCT Manager is subject to certain conditions and is valid unless otherwise cancelled. If the CMS Licence of the FCT Manager is cancelled by the MAS, the operations of FCT will be adversely affected, as the FCT Manager would no longer be able to act as the manager of FCT.

FCT is authorised as a collective investment scheme and must comply with the requirements under the SFA and the Property Funds Appendix. In the event that the authorisation of FCT is suspended, revoked or withdrawn, its operations will also be adversely affected.

FCT may be adversely affected by the illiquidity of real estate investments

FCT's investment strategy in quality income-producing retail properties in Singapore and overseas involves a higher level of risk as compared to a portfolio that has a more diverse range of investments.

Real estate investments are generally illiquid, limiting the ability of an owner to convert property assets into cash on short notice with the result that property assets may be required to be sold at a discount in order to ensure a quick sale. Such illiquidity also limits FCT's ability to manage its portfolio in response to changes in economic or other conditions. Moreover, FCT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets.

Regulatory issues and changes in law and accounting standards in Singapore may have an adverse impact on FCT's business

The laws, regulations (including tax laws and regulations) and/or accounting standards in Singapore are subject to change. New laws and regulations may also be introduced in Singapore. As a result, the financial statements of FCT may be affected by these changes. The extent and timing of these changes in accounting standards are currently unknown and subject to confirmation by the relevant authorities. The FCT Manager has not quantified the effects of these proposed changes and there can be no assurance that these changes will not have a significant impact on the presentation of FCT's financial statements or on FCT's results or operations. There is no assurance that any such changes to laws, regulations and accounting standards will not materially and adversely affect the business, financial condition and results of operations of FCT.

Future acquisitions may not yield the returns expected, resulting in disruptions to FCT's business, and may strain management resources

FCT's external acquisition growth strategy and its asset selection process may not be successful. There are risks associated with pursuing further acquisitions of real estate properties and successfully integrating them into FCT's portfolio. For example, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to be achieved or may not be achieved at all. In addition, acquisitions may cause disruptions to FCT's operations and divert management's attention away from day-to-day operations.

The amount FCT may borrow is limited, which may affect the operations of FCT

Under the Property Funds Appendix, prior to 1 January 2022, FCT is permitted to borrow up to 50.0% of its Deposited Property at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units). On or after 1 January 2022, FCT is permitted to borrow up to 45.0% of the value of the Deposited Property at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units), and FCT's Aggregate Leverage (as defined below) may exceed this limit (up to a maximum of 50.0%) only if it has a minimum adjusted interest coverage ratio of 2.5 times after taking into account the interest payment obligations arising from the new borrowings. A decline in the value of the Deposited Property, a decrease in earnings and/or an increase in interest expense may affect FCT's ability to make further borrowings.

As at 30 September 2021, the Group's Aggregate Leverage was 33.3%[1] and the interest coverage ratio is 5.11 times[2], which is within the limit set under the Property Funds Appendix.

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[1] In accordance with the Property Funds Appendix, aggregate leverage ratio include FCT's 40% proportionate share of deposited property value and borrowing in SST.

[2] Calculated as earnings before interest and tax (EBIT) divided by interest expense for the financial year ended 30 September 2021.

It is currently not envisaged that FCT will face issues with the borrowing limits imposed by the Property Funds Appendix. However, FCT may, from time to time, require further debt financing to achieve its investment strategies and may find itself unable to achieve its investment strategies if this involves and requires debt financing in excess of the borrowing limits imposed by the Property Funds Appendix. In the event that FCT decides to incur additional borrowings in the future, FCT may face adverse business consequences as a result of this limitation on future borrowings, and these may include:

- having to miss out on attractive acquisition opportunities that may be available for only a limited period of time but for which debt financing in excess of the borrowing limits would have been required;
- an inability to fund capital expenditure requirements in relation to FCT's existing asset portfolio;
- a decline in the value of its Deposited Property may cause the borrowing limit to be exceeded, thus affecting FCT's ability to incur further borrowings; and
- shortage of cash flows (including with respect to distributions), which FCT might otherwise be able to resolve by borrowing funds.

FCT may be unable to successfully integrate and operate acquired properties, which could have a material adverse effect on FCT

Even if FCT is able to make acquisitions on favourable terms, its ability to successfully integrate and operate them is subject to the following significant risks:

- it may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties, as well as require substantial management time and attention;
- it may be unable to integrate new acquisitions quickly and efficiently, particularly acquisitions of operating businesses or portfolios of properties, into its existing operations;
- acquired properties may be subject to reassessment, which may result in higher than expected property tax payments;
- tenants in acquired properties may choose not to renew their leases at the end of their term or may exercise the rights of early termination contained in their leases; and
- market conditions may result in higher than expected vacancy rates and lower than expected rental rates.

Any inability to integrate and operate acquired properties to meet FCT's financial, operational and strategic expectations could have a material adverse effect on FCT.

FCT may be subject to unknown or contingent liabilities related to properties or businesses that it has acquired or may acquire, which may result in damages and investment losses

Assets and entities that FCT has acquired or may acquire in the future may be subject to unknown or contingent liabilities for which FCT may have limited or no recourse against the sellers. Unknown or contingent liabilities might include liabilities for clean-up or remediation of environmental conditions, claims of tenants, vendors or other persons dealing with the acquired entities, tax liabilities and other liabilities whether incurred in the ordinary course of business or otherwise. In the future, FCT may enter into transactions with limited representations and warranties or with representations and warranties that do not survive the closing of the transactions, in which event FCT would have no or limited recourse against the sellers of such properties. While FCT typically requires the sellers to indemnify it with respect to breaches of representations and warranties that survive, such indemnification is often limited and subject to various materiality thresholds, a significant deductible or an aggregate cap on losses. As a result, there is no guarantee that FCT will recover sufficient or any amounts with respect to losses due to breaches by the sellers of their representations and warranties. In addition, the total amount of costs and expenses that FCT may incur with respect to liabilities associated with properties and entities acquired may exceed FCT's expectations. Any of these matters could have a material adverse effect on FCT.

Possible change of investment strategies may adversely affect FCT's business, financial condition and results of operations

FCT's policies with respect to certain activities including investments and acquisitions will be determined by the FCT Manager. While the FCT Manager has stated its intention to invest in income-producing properties and properties that could be developed or redeveloped into income-producing properties, used primarily for retail purposes in Singapore and overseas, the FCT Trust Deed gives the FCT Manager wide powers to invest in other types of assets, including any real estate, and/or real estate-related assets as well as listed and unlisted securities in Singapore and other jurisdictions. There are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves. Such changes may adversely affect the business, financial condition and results of operations of FCT.

There is no assurance that FCT will be able to leverage the Sponsor's experience in the operation of the retail properties or the Sponsor's experience in the management of REITs

As at the Latest Practicable Date, the Sponsor is an indirect controlling shareholder of FCT and holds a 100.0% direct interest in the FCT Manager. There is no assurance that the Sponsor will not dispose of all or part of its direct and indirect effective interest in the Units. In the event that the Sponsor decides to transfer or dispose of its Units or its shares in the FCT Manager, FCT may no longer be able to leverage:

- the Sponsor's experience in the ownership and operation of retail properties; or
- the Sponsor's financial strength, market reach and network of contacts to further its growth.

This may have a material and adverse impact on FCT's business, financial condition and results of operations.

FCT relies on information technology in its operations, and any material failure, inadequacy, interruption or security failure of such technology may adversely and materially affect the business and operations of FCT

FCT relies on information technology networks and systems, including the internet, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of tenants, shoppers and lease data. FCT relies on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential tenant and shopper information, such as individually identifiable information relating to financial accounts. Although FCT has implemented procedures to mitigate technology risk and will continue to take steps to protect the security of the data maintained in its information systems, it is possible that such security measures will not be able to prevent the systems' improper functioning, or the improper disclosure of personally identifiable information such as in the event of cyberattacks, phishing and malicious software such as ransomware. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorised disclosure of confidential information. Any failure to maintain proper function, security and availability of FCT's information systems could interrupt its operations, damage its reputation, subject FCT to liability claims or regulatory penalties, which could in turn affect FCT's ability to fulfil its obligations under the Securities.

Furthermore, FCT's enhancement of its digital capabilities and investment in new technology and/or technological infrastructure may not futureproof or improve the agility of the Group's business, or ensure that the Group remains competitive. There is no assurance that the capital investment and operational costs incurred from setting up and maintaining such technology systems will reap positive benefits for FCT or prevent it from incurring liability or losses resulting from the failure, disruption or breaches of such systems.

The existing technology infrastructure, networks and systems of acquired properties may not integrate seamlessly with FCT's or the FCT Property Manager's established frameworks or ecosystems, and FCT may incur potential additional costs and downtime in order to bridge any gaps between the existing systems and infrastructure and FCT's own systems and infrastructure. Moreover, there may be delays in the implementation or integration of the technology infrastructure, networks and systems after acquisition, which could adversely affect the business and operations of the Group. There is no assurance that FCT will be able to avoid such costs, disruptions or delays even if it conducts the necessary due diligence in relation to the technology infrastructure, networks or systems prior to or during the acquisition of properties.

Increased focus on Environmental, Social and Governance ("ESG") Issues

FCT is exposed to the potential impacts of future climate change and climate change-related risks. In particular, FCT is exposed to unpredictable physical risks from possible future changes in climate and rare catastrophic weather events.

ESG issues have been gaining prominence and attention amongst governments, shareholders and activists, due to concerns over, among other things, climate change and sustainability of businesses. FCT may be subject to ESG compliance, regulations and requirements imposed by governments in Singapore and other countries in which it operates to address ESG concerns and may need to implement measures and processes to comply with such regulations and requirements. This may result in increased costs for various aspects of FCT's businesses and operations and may adversely affect the financial condition of FCT. Further, there is no assurance that FCT will be able to fully respond to and comply with changes in laws and regulations relating to ESG issues and there could be situations where FCT may not be able to adhere to such laws or regulations. In addition, investors, both institutional and individual, are increasingly more selective in their investment decisions in companies that include ESG in their business and sustainability strategies and may choose not to invest in FCT, divest their shares or through lobbying or other shareholder activist activities, seek to hold FCT accountable for ESG issues. Such actions may adversely impact FCT's reputation if FCT is not fully able to comply with ESG requirements or meet the expectations of certain investors, and this may adversely affect the Group's business, financial condition and results of operations.

RISKS RELATING TO THE SECURITIES ISSUED UNDER THE PROGRAMME

The Securities may not be a suitable investment for all investors

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

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Securities, the merits and risks of investing in the relevant Securities and the information contained or incorporated by reference in this Offering Circular, any applicable supplement to this Offering Circular or any Pricing Supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Securities and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including where principal, interest or distribution is payable in one or more currencies, or where the currency for principal, interest or distribution payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Securities and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Securities are legal investments for it, (2) the Securities can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Securities under any applicable risk-based capital or similar rules.

Modification and waivers

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

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

A Restructuring Plan implemented pursuant to Part 26A of the Companies Act 2006 may modify or disapply certain terms of the Securities or the Guarantee without the consent of the Securityholders

Where the relevant Issuer or the Guarantor encounters, or is likely to encounter, financial difficulties that are affecting, or will or may affect, its ability to carry on business as a going concern, it may propose a Restructuring Plan (a "**Plan**") with its creditors under Part 26A of the Companies Act 2006 (introduced by the Corporate Insolvency and Governance Act 2020) to eliminate, reduce, prevent or mitigate the effect of any of those financial difficulties. Should this happen, creditors whose rights are affected are organised into creditor classes and can vote on any such Plan (subject to being excluded from the vote by the English courts for having no genuine economic interest in the relevant Issuer or the Guarantor and certain exclusions where the Plan is proposed within the 12-week period following the end of a moratorium). Provided that one class of creditors (who would receive a payment, or have a genuine economic interest in the relevant Issuer or the Guarantor) has approved the Plan, and in the view of the English courts any dissenting class(es) who did not approve the Plan are no worse off under the Plan than they would be in the event of the "relevant alternative" (such as, broadly, liquidation or administration), then the English court can sanction the Plan where it would be a proper exercise of its discretion. A sanctioned Plan is binding on all creditors and members, regardless of whether they approved it. Any such sanctioned Plan in relation to the relevant Issuer or the Guarantor may, therefore, adversely affect the rights of Securityholders and the price or value of their investment in the Securities, as it may have the effect of modifying or disapplying certain terms of the Securities (by, for example, writing down the principal amount of the Securities, modifying the interest payable on the Notes or the distribution payable on the Perpetual Securities, (in the case of Notes) the maturity date or (in the case of Notes or Perpetual Securities) dates on which any payments are due or substituting the relevant Issuer, or modifying or disapplying certain terms of the Guarantee or substituting the Guarantor).

The Trustee may request that the Securityholders provide an indemnity and/or security and/or prefunding to its satisfaction

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

The regulation and reform of "benchmarks" may adversely affect the value of Perpetual Securities linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (including SOR, SIBOR, HIBOR, LIBOR or EURIBOR), are the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Securities linked to or referencing such a benchmark.

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

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

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The UK Financial Conduct Authority has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. On 5 March 2021, ICE Benchmark Administration Limited ("**IBA**"), the administrator of LIBOR, published a statement confirming its intention to cease publication of all LIBOR settings, together with the dates on which this will occur, subject to the FCA exercising its powers to require IBA to continue publishing such LIBOR settings using a changed methodology (the

"**IBA announcement"**). Concurrently, the FCA published a statement on the future cessation and loss of representativeness of all LIBOR currencies and tenors, following the dates on which IBA has indicated it will cease publication (the "**FCA announcement**"). Permanent cessation will occur immediately after 31 December 2021 for all Euro and Swiss Franc LIBOR tenors and certain Sterling, Japanese Yen and US Dollar LIBOR settings and immediately after 30 June 2023 for certain other USD LIBOR settings. In relation to the remaining LIBOR settings (1-month, 3-month and 6-month Sterling, US Dollar and Japanese Yen LIBOR settings), the FCA will consult on, or continue to consider the case for, using its powers to require IBA to continue their publication under a changed methodology for a further period after end-2021 (end-June 2023 in the case of US Dollar LIBOR). The FCA announcement states that consequently, these LIBOR settings will no longer be representative of the underlying market that such settings are intended to measure immediately after 31 December 2021, in the case of the Sterling and Japanese Yen LIBOR settings and immediately after 30 June 2023, in the case of the USD LIBOR settings. Any continued publication of the Japanese Yen LIBOR settings will also cease permanently at the end of 2022.

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

On 30 August 2019, the MAS announced that it has established a steering committee to oversee an industry-wide interest rate benchmark transition to the Singapore Overnight Rate Average ("**SORA**"). In addition, the Association of Banks in Singapore, the Singapore Foreign Exchange Market Committee and the Steering Committee for SOR Transition to SORA ("**SC-STS**") (together, the "**Committees**") laid out transition roadmaps for shifting away from the use of SOR and SIBOR to the use of SORA as the main interest rate benchmark for SGD financial markets. Following industry consultations by the Committees, SOR is expected to be discontinued by end-June 2023 and the issuance of SOR-linked loans and securities that mature after end-2021 has ceased since end-April 2021, with financial institutions and their customers to cease usage of SOR in new derivative contracts (except for specified purposes relating to the risk management and transition of legacy SOR positions to SORA) by end-September 2021. Similarly, the Committee has announced plans to discontinue SIBOR, with 6-month SIBOR expected to be discontinued on 31 March 2022 and 1-month and 3-month SIBOR expected to be discontinued by end-2024. In order to mitigate further build up in the stock of legacy SIBOR contracts, the SC-STS has recommended that financial institutions and their customers cease usage of SIBOR in new contracts by end-September 2021. Investors should note that, subject further to the terms of the relevant Securities, such announcement may be construed as a relevant Benchmark Event (as defined in the relevant Conditions) having occurred.

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

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

Singapore taxation

The Notes to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2023 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section "Taxation – Singapore taxation". However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws or regulations be amended or revoked at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent (1) Securities are legal investments for the potential investor, (2) Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

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

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

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

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

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

Enforcement of the Guarantee

Securityholders should note that the Guarantee is issued by the Guarantor, and not FCT, since FCT is not a legal entity. Securityholders should note that under the terms of the Guarantee, Securityholders shall only have recourse in respect of the Guarantee to the assets comprised in FCT which HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of FCT) has recourse to under the trust deed dated 5 June 2006 constituting FCT (as amended by the first supplemental deed dated 4 October 2006, the first amending and restating deed dated 7 May 2009, the second supplemental deed dated 22 January 2010, the third supplemental deed dated 17 December 2015, the fourth supplemental deed dated 19 January 2017 and the fifth supplemental deed dated 24 January 2018, and as further amended and supplemented from time to time) (the "**FCT Trust Deed**") and not to HSBC Institutional Trust Services (Singapore) Limited personally nor any other properties held by HSBC Institutional Trust Services (Singapore) Limited as trustee of any trust (other than FCT). Further, Securityholders do not have direct access to the assets comprised in FCT but can only gain access to such assets through the

Guarantor and, if necessary, seek to subrogate to the Guarantor's right of indemnity out of such assets, and accordingly, any claim of the Securityholders to the assets comprised in FCT is derivative in nature. A Securityholder's right of subrogation therefore could be limited by the FCT Trustee's right of indemnity under the FCT Trust Deed. Securityholders should also note that such right of indemnity of the Guarantor may be limited or lost through fraud, gross negligence, wilful default, breach of trust or breach of the FCT Trust Deed.

Commencement of proceedings under applicable Singapore insolvency or related laws may result in a material adverse effect on Securityholders

There can be no assurance that the relevant Issuer and/or FCT will not become bankrupt or insolvent or the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. It is unclear whether Singapore insolvency and related laws applicable to companies can be applied to real estate investment trusts and business trusts. Application of these laws may have a material adverse effect on Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on Securityholders. Where any of the relevant Issuer or FCT is insolvent or close to insolvent and the relevant Issuer or, as the case may be, the FCT undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the relevant Issuer or, as the case may be, FCT. It may also be possible that if a company related to the relevant Issuer or, as the case may be, the FCT proposes a creditor scheme of arrangement and obtains an order for a moratorium, the relevant Issuer or, as the case may be, the FCT may also seek a moratorium even if the relevant Issuer or, as the case may be, the FCT is not itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, additionally with the permission of the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the relevant Issuer or, as the case may be, FCT, the need to obtain court permission may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

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

The Insolvency, Restructuring and Dissolution Act 2018 (Act 40 of 2018) (the **IRD Act**) was passed in the Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, a debenture. However, it may apply to other related contracts that are not found to be directly connected to the Securities.

Performance of contractual obligations

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

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

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

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

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

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

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

In relation to any issue of Securities which have a denomination consisting of a minimum Denomination Amount (as defined in the Conditions) plus a higher integral multiple of another smaller amount, it is possible that the Securities may be traded in amounts in excess of the minimum Denomination Amount that are not integral multiples of such minimum Denomination Amount. In such a case a Securityholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount will not receive a definitive Security or Certificate in respect of such holding (should definitive Securities or Certificates be printed) and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more Denomination Amounts. If definitive Securities or Certificates are issued, holders should be aware that definitive Securities or Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade. Definitive Securities will in no circumstances be issued to any person holding Securities in an amount lower than the minimum denomination and such Securities will be cancelled and holders will have no rights against the relevant Issuer (including rights to receive principal or interest or to vote or attend meetings of Securityholders) in respect of such Securities.

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

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

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

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

RISKS RELATING TO THE PERPETUAL SECURITIES ISSUED UNDER THE PROGRAMME

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

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

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

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

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

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

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

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

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

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

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

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

The Subordinated Perpetual Securities and the Subordinated Guarantee are subordinated obligations

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

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the relevant Issuer and the Guarantor without the consent of the Securityholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence

of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Perpetual Securities on a winding-up of the relevant Issuer or the Guarantor and/or may increase the likelihood of a non-payment of distribution under the Subordinated Perpetual Securities and/or the Subordinated Guarantee.

Perpetual Securityholders may be subject to Singapore taxation

In the event that the Inland Revenue Authority of Singapore (the "**IRAS**") regards any tranche of the Perpetual Securities (the "**Relevant Tranche of the Perpetual Securities**") to be debt securities for Singapore income tax purposes, that Relevant Tranche of the Perpetual Securities is intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section "Taxation - Singapore taxation". However, there is no assurance that the conditions for "qualifying debt securities" will be met or that such Relevant Tranche of the Perpetual Securities will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time. There is also no assurance that the IRAS will regard the Relevant Tranche of the Perpetual Securities as debt securities which are within the ambit of "qualifying debt securities".

If any Relevant Tranche of the Perpetual Securities is not regarded as "debt securities" for the purposes of the ITA and holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to Perpetual Securityholders may differ. In addition, in the event that the IRAS regards the Relevant Tranche of the Perpetual Securities to be equity instruments for Singapore income tax purposes, all payments, or part thereof, of Distributions (including Optional Distributions and any Arrears of Distribution and any Additional Distribution Amount) in respect of the Relevant Tranche of the Perpetual Securities may be subject to Singapore income tax, and where the FCT Trustee is the relevant Issuer, the FCT Trustee and the FCT Manager may be obliged (in certain circumstances) to withhold tax at the prevailing rate (currently 10.0 per cent. or 17.0 per cent.) under Section 45G of the ITA. Where tax is withheld or deducted, the FCT Trustee shall not be under any obligation to pay additional amounts as will result in receipt by holders of the Relevant Tranche of the Perpetual Securities of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

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

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

RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF SECURITIES

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

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

In the case of non-Singapore dollar Securities, unless in the case of any particular Tranche of Securities the relevant Pricing Supplement specifies otherwise, in the event that the relevant Issuer or the Guarantor would be obliged to increase the amounts payable in respect of any Securities due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Singapore or any political subdivision thereof or any authority therein or thereof having power to tax, the relevant Issuer may redeem all outstanding Securities in accordance with the Conditions.

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

The relevant Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest rate on the Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

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

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

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

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

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

The market values of Securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

RISKS RELATING TO THE MARKET GENERALLY

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

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

Securities issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Securities which is already issued). If the Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the relevant Issuer and/or the Guarantor. If the Securities are trading at a discount, investors may not be able to receive a favourable price for their Securities, and in some circumstances investors may not be able to sell their Securities at all or at their fair market value. Although an application will be made for permission to deal in, and for quotation of, any Securities issued under the Programme to be admitted to listing on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Securities will be so admitted or that an active trading market will develop. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Securities issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Securities.

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

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

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

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

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

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

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

Interest rate risk

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

Inflation risk

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

TERMS AND CONDITIONS OF THE NOTES

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

The Notes are issued by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust ("**FCT**") and in such capacity, the "**FCT Trustee**") or FCT MTN Pte. Ltd. ("**FCT MTN**") (each, in relation to Notes issued by it, the "**Issuer**") pursuant to the Trust Deed (as defined below) or the Note (AMTN) Deed Poll (as defined below), as the case may be. Issues of Notes by FCT MTN will be guaranteed by the FCT Trustee (in such capacity, the "**Guarantor**"). References in these Conditions to the Guarantor and the Guarantee shall only apply to Notes issued by FCT MTN.

The Notes (other than Notes which are specified in the applicable Pricing Supplement as being denominated in Australian dollars, issued in the Australian domestic capital market and ranking as senior obligations of the Issuer ("**AMTNs**")) are constituted by a trust deed dated 8 February 2017 (as amended or supplemented as at the date of issue of the Notes (the "**Issue Date**"), the "**Trust Deed**") made between (1) FCT MTN, (2) the FCT Trustee and (3) The Bank of New York Mellon, London Branch (the "**Trustee**", which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Securityholders (as defined below), as supplemented by the Singapore Supplemental Trust Deed (as amended and supplemented as at the Issue Date, the "**Singapore Supplemental Trust Deed**") dated 8 February 2017 between the same parties. AMTNs will be constituted by the Deed Poll dated 8 February 2017 executed by each of FCT MTN and the FCT Trustee (as amended and supplemented from time to time, the "**Note (AMTN) Deed Poll**") in favour of the Trustee and the holders of the AMTNs. The provisions of these Conditions (as defined below) relating to Bearer Notes, Certificates, Coupons and Talons do not apply to Notes specified in the Pricing Supplement as being AMTNs.

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below and (in respect of AMTNs) the Note (AMTN) Deed Poll. FCT MTN and the FCT Trustee have entered into an agency agreement dated 8 February 2017 made between (1) FCT MTN, (2) the FCT Trustee, (3) The Bank of New York Mellon, London Branch, as issuing and paying agent (in such capacity, the "**Issuing and Paying Agent**") and (where appointed as contemplated therein) as calculation agent (in such capacity, the "**Calculation Agent**"), (4) The Bank of New York Mellon, Singapore Branch, as CDP paying agent in respect of Notes cleared through CDP (the "**CDP Paying Agent**") and, together with the Issuing and Paying Agent and any other paying agents (including the Australian Agent (as defined below)) that may be appointed, the "**Paying Agents**"), (5) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Notes cleared through Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) and The Bank of New York Mellon, Singapore Branch, as transfer agent in respect of Notes cleared through CDP (each a "**Transfer Agent**" and, together with the Australian Agent and any other transfer agents that may be appointed, the "**Transfer Agents**"), (6) The Bank of New York Mellon (Luxembourg) S.A., as registrar in respect of Notes cleared through Euroclear or Clearstream, Luxembourg and The Bank of New York Mellon, Singapore Branch, as registrar in respect of Notes cleared through CDP (each in such capacity, a "**Registrar**") and (7) the Trustee, as trustee in relation to the Notes (as amended or supplemented as at the Issue Date, the "**Agency Agreement**"). FCT MTN, the FCT Trustee and BTA Institutional Services Australia Limited as registrar and issuing and paying agent in Australia (the "**Australian Agent**") have entered into an agency and registry services agreement (as amended or supplemented from time to time, the "**Australian Agency Agreement**") dated 8 February 2017 in relation to the AMTNs. The Securityholders and the holders (the "**Couponholders**")

of the coupons (the "**Coupons**") appertaining to the interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") are bound by and are deemed to have notice of all of the provisions of these Conditions, all the provisions of the Trust Deed, the applicable Pricing Supplement and (in respect of the AMTN holders only) the Note (AMTN) Deed Poll, and are deemed to have notice of those provisions applicable to them of the Agency Agreement or the Australian Agency Agreement, as the case may be. The Trustee acts for the benefit of the Securityholders (as defined below).

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

Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Agency Agreement, the Note (AMTN) Deed Poll and the Australian Agency Agreement are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being. The Note (AMTN) Deed Poll will be held by the Australian Agent and copies of the Note (AMTN) Deed Poll and the Australian Agency Agreement referred to above are available for inspection free of charge during usual business hours at the principal office of the Australian Agent (presently at Level 2, 1 Bligh Street, Sydney NSW 2000, Australia).

1 Form, Denomination and Title

(a) **Form and Denomination**

(i) The Notes of the Series of which this Note forms part (in these Conditions, the "**Notes**") are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), in each case in the Denomination Amount shown thereon or on the Certificates or, in the case of AMTNs, the AMTN Certificates (as defined in Condition 1(b)(iv)).

(ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note, a Zero Coupon Note, a combination of any of the foregoing or any other type of Note (depending upon the Interest Basis shown on its face) and this Note may be a Credit Linked Note or any other type of Note (depending upon the Redemption/Payment Basis shown on its face).

(iii) Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.

(iv) Registered Notes (other than AMTNs) are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

(b) **Title**

(i) Title to the Bearer Notes and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar or (in the case of AMTNs) the Australian Agent in accordance with the provisions of the Agency Agreement or (in the case of AMTNs) the Australian Agency Agreement respectively (the "**Register**").

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and shall be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Notes is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the Transfer Agents and all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or any other amounts in respect of the Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Securityholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or CDP. For so long as any of the Notes is represented by a Global Security or a Global Certificate and such Global Security or, as the case may be, Global Certificate is held by CDP, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Note shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by CDP).

(iv) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) a common depositary for Euroclear and/or Clearstream, Luxembourg, (2) CDP and/or (3) any other clearing system, "**Securityholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), "**Series**" means (A) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (aa) expressed to be consolidated and forming a single series and (bb) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (B) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).

(v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

(vi) In the case of AMTNs, the following provisions shall apply in lieu of the foregoing provisions of Condition 1 in the event of any inconsistency.

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

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

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

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

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

2 No Exchange of Notes and Transfers of Registered Notes

(a) **No Exchange of Notes**

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.

(b) **Transfer of Registered Notes (other than AMTNs)**

This Condition 2(b) does not apply to AMTNs which are specified in the applicable Pricing Supplement to be Registered Notes. Subject to Conditions 2(f) and 2(g) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request.

(c) **Exercise of Options or Partial Redemption in Respect of Registered Notes or AMTNs**

In the case of an exercise of the Issuer's or Securityholders' option in respect of, or a partial redemption of, a holding of Registered Notes or AMTNs, represented by a single Certificate or AMTN Certificate, as the case may be, a new Certificate or AMTN Certificate, as the case may be shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes or AMTNs of the same holding having different terms, separate Certificates or AMTN Certificates, as the case may be shall be issued in respect of those Notes of that holding that have the same terms. New Certificates or AMTN Certificates, as the case may be shall only be issued against surrender of the existing Certificates or AMTN Certificates, as the case may be to the Registrar or the Australian Agent, as the case may be, or any other Transfer Agent. In the case of a transfer of Registered Notes or AMTNs to a person who is already a holder of Registered Notes or AMTNs, a new Certificate or AMTN Certificate, as the case may be representing the enlarged holding shall only be issued against surrender of the Certificate or AMTN Certificate, as the case may be representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(c)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).

(e) **Transfers of AMTNs**

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

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

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

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

(f) **Transfers Free of Charge**

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar, the Australian Agent or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar, the Australian Agent or the relevant Transfer Agent may require) in respect of tax or charges.

(g) **Closed Periods**

No Securityholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(b), (ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)).

(h) **Austraclear – AMTNs**

If AMTNs are or will be lodged into the Austraclear System (as defined in Condition 7(i)):

(i) the Issuer will not be responsible for any loss occasioned by the failure of the Austraclear System or the failure of any person (except the Issuer) to perform its obligations under the Austraclear System Regulations (as defined in Condition 7(i)) or otherwise;

(ii) the Australian Agent will enter Austraclear in the Register as the legal owner and Securityholder of the AMTNs;

(iii) the Issuer will be entitled to deal exclusively with Austraclear as legal owner of the Notes;

(iv) while the AMTNs remain in the Austraclear System:

(A) all payments and notices required of the Issuer in relation to AMTNs will be made or directed (as the case may be) to Austraclear in accordance with the Austraclear System Regulations;

(B) all dealings (including transfers and payments) in relation to interests in AMTNs within the Austraclear System will be governed by the Austraclear System Regulations and need not comply with the Note (AMTN) Deed Poll or the Conditions to the extent of any inconsistency; and

(C) any payment to or as required by Austraclear made by the Issuer operates as a complete discharge of the Issuer's liability to pay the relevant amount under the AMTNs and the Issuer has no obligation to see to the application of that amount by Austraclear or to verify the entitlement of any person to whom Austraclear requires the Issuer to make payment.

(v) If an AMTN is Withdrawn from the Austraclear System in accordance with the Austraclear System Regulations, such AMTN shall be a Withdrawn Note and the person in whose Security Record such AMTN appeared immediately before such AMTN was Withdrawn will be the holder of the resulting Withdrawn Note and the Australian Agent will record that person as the Securityholder in the Register (in this Condition 2(h)(v), "**Withdrawn**", "**Withdrawn Note**" and "**Security Record**" have the meaning given to them in the Austraclear System Regulations).

3 Status and Guarantee

(a) **Status**

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

(b) **Guarantee**

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

4 Negative Pledge

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

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

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

(i) any new first ranking security to be created over any Existing Secured Asset (whether in connection with a refinancing or otherwise) provided that the security over such Existing Secured Asset is discharged contemporaneously with the creation of such new security; or

(ii) any first ranking security over any units or shares in any company, trust or other entity which are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured.

Or

(b) If Condition 4(b) is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon issued under the applicable Pricing Supplement remains outstanding, as at the end of each financial year in respect of the Group (the "**Reference Date**") based upon the amounts certified by two Authorised Signatories of Frasers Centrepoint Asset Management Ltd., as manager of FCT (the "**FCT Manager**") (which the FCT Trustee undertakes to procure) to the Trustee no later than the Notification Date, the FCT Trustee shall ensure that:

(i) the Total Secured Borrowings shall not exceed 50 per cent. of Total Assets, provided however that an amount equal to any money borrowed and set aside as at the Reference Date in order to repay any portion of the Total Secured Borrowings shall be deducted from such Total Secured Borrowings and Total Assets as at the Reference Date;

(ii) if the test in (i) above is not met as at the end of any Reference Date, the FCT Trustee undertakes that such test in (i) above will be met as at the end of the next financial quarter immediately following the Notification Date, failing which, as at the end of the second financial quarter immediately following the Notification Date, in each case, based upon relevant amounts as at the end of the relevant quarter certified by two Authorised Signatories of the FCT Manager (which the FCT Trustee undertakes to procure) to the Trustee no later than 45 days after the end of the relevant quarter; and

(iii) certificates delivered by two Authorised Signatories of the FCT Manager (which the FCT Trustee undertakes to procure) in connection with this Condition 4(b) shall, in the absence of manifest error, be conclusive.

In these Conditions:

(i) "**Group**" means FCT and its subsidiaries;

(ii) "**Notification Date**" means the date falling 90 days from the Reference Date;

(iii) "**Principal Subsidiaries**" means any subsidiary of FCT whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 25 per cent. of the total assets of the Group as shown by such audited consolidated accounts, provided that if any such subsidiary (the "**transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary of FCT or FCT (the "**transferee**") then:

(A) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is FCT) shall thereupon become a Principal Subsidiary; and

(B) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is FCT) shall thereupon become a Principal Subsidiary.

Any subsidiary which becomes a Principal Subsidiary by virtue of (A) above or which remains or becomes a Principal Subsidiary by virtue of (B) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets of the relevant subsidiary as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries) or the date of issue of a report by the Auditors (as defined in the Trust Deed) described below (whichever is earlier), based upon which such audited consolidated accounts or, as the case may be, Auditor's report have been prepared, to be less than 25 per cent. of the total assets of the Group, as shown by such audited consolidated accounts or, as the case may be, Auditor's report. A report by the Auditors, who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

(vi) "**subsidiary**" means any company which is for the time being a subsidiary (within the meaning of section 5 of the Companies Act, Chapter 50 of Singapore), and in relation to FCT, means any company, corporation, trust, fund or other entity (whether or not a body corporate):

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

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

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

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

(vii) "**Total Assets**" means the total book value of all assets of the Group on a consolidated basis as shown by the audited or unaudited balance sheet of the Group as at the relevant date; and

(viii) "**Total Secured Borrowings**" means at any time the total principal amount of all secured borrowings of the Group on a consolidated basis incurred to finance or refinance the Group's investments in property and secured against such property.

5 (I) Interest on Fixed Rate Notes

(a) **Interest Rate and Accrual**

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

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

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

(b) **Calculations**

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

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

(a) **Interest Payment Dates**

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be) provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the

next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

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

(b) **Rate of Interest for Floating Rate Notes**

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

(i) ISDA Determination for Floating Rate Notes

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

(A) the Floating Rate Option is as specified hereon;

(B) the Designated Maturity is a period specified hereon; and

(C) the relevant Reset Date is the first day of that Interest Period unless otherwise specified hereon.

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

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

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

(I) the offered quotation; or

(II) the arithmetic mean of the offered quotations,

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

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

(B) If the Relevant Screen Page is not available or if, sub-paragraph (A)(I) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(C) If sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks

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

(iii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR

(A) Each Floating Rate Note where the Reference Rate is specified as being SIBOR (in which case such Note will be a SIBOR Note) or SOR (in which case such Note will be a Swap Rate Note) bears interest at a floating rate determined by reference to a Benchmark as specified hereon or in any case such other Benchmark as specified hereon;

(B) The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 5(II)(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:

(I) in the case of Floating Rate Notes which are SIBOR Notes:

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11.00 HRS SINGAPORE TIME" and the column headed "SGD SIBOR" (or such other Relevant Screen Page);

(bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;

(cc) if on any Interest Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and

(dd) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date, *provided that*, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period);

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

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period;

(bb) if on any Interest Determination Date no such rate is quoted on Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, such Calculation Agent will determine the Rate of Interest for such Interest Period as being the rate (or, if there is more than

one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest four decimal places)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select; and

(cc) if on any Interest Determination Date such Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (aa) and (bb) above, the Rate of Interest shall be determined by such Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to such Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate, or if on such day one only or none of the Reference Banks provides such Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date, *provided that*, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period).

(iv) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

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

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

(i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in this Condition 5(II)(c) as the "**Rate of Interest**".

(ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:

(1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

(C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.

(iii) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent pursuant to the Agency Agreement that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:

(1) notify the Guarantor, the Issuing and Paying Agent and the Calculation Agent of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Securityholder at its request.

(iv) For the purposes of paragraph (c)(ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

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

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 5(II)(b) (*mutatis mutandis*) and references therein to "**Rate of Interest**" shall mean "**Fall Back Rate**".

(v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

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

(d) **Definitions**

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement; "**business day**" means:

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

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

"**Calculation Amount**" means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual — ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (y_2 - y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where: –

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

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

$$\textit{Day Count Fraction} = \frac{[360 \times (y_2 - y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

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

$$\textit{Day Count Fraction} = \frac{[360 \times (y_2 - y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

(vii) if "**Actual/Actual — ICMA**" is specified in the applicable Pricing Supplement,

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

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

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

(viii) if "**RBA Bond Basis**" is specified in the applicable Pricing Supplement, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:

(A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and

(B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));

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

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

"**Interest Determination Date**" means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

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

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

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

"**Reference Rate**" means the rate specified as such hereon;

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

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer party to the Dealer Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Dealer Agreement;

"**Relevant Financial Centre**" means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

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

(III) Interest on Hybrid Notes

(a) **Interest Rate and Accrual**

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

(b) **Fixed Rate Period**

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

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

(iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.

(iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

(c) **Floating Rate Period**

(i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls within the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following

Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(ii) In this Condition 5(III), the period beginning on (and including) the first day of the Floating Rate Period and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

(iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.

(iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) Zero Coupon Notes

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

(V) Calculations

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

(i) If any Margin is specified hereon (either (A) generally, or (B) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Periods, in the case of (B), calculated in accordance with Condition 5(II) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.

(ii) If any Maximum Rate of Interest or Minimum Rate of Interest is specified hereon, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "unit" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(b) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable per Calculation Amount in respect of any Floating Rate Note, Variable Rate Note or (where applicable) Hybrid Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) **Notification**

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, if so required by the Issuer, the Calculation Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Securityholders in accordance with Condition 16 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

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

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

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

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

6 Redemption and Purchase

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, this Note (including each Credit Linked Note) will be redeemed at its Redemption Amount shown on its face on the Maturity Date shown on its face ("**Redemption Amount**") (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued (but excluding) to the date fixed for redemption.

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

In the case of a partial redemption of the Notes other than AMTNs, the notice to Securityholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any stock exchange, the Issuer shall comply with the rules of such stock exchange in relation to the publication of any redemption of such Notes.

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

(c) Redemption at the Option of Securityholders

If so provided hereon, the Issuer shall, at the option of the holder of any Note, upon the holder of such Note giving not less than 30 nor more than 60 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes other than AMTNs) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice (an "**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar, any other Transfer Agent or the Issuer (as applicable) within the Securityholders' Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(d) **Redemption for Taxation Reasons**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Securityholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(f) below) (together with interest accrued to (but excluding) the date fixed for redemption), if:

(i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement; and

(ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

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

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

(e) **Purchases**

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

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

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

(f) **Early Redemption of Zero Coupon Notes**

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(d) or upon it becoming due and payable as provided in Condition 10, shall be the "**Amortised Face Amount**" (calculated as provided below) of such Note unless otherwise specified hereon.

(ii) Subject to the provisions of sub-paragraph (iii) below of this Condition 6(f), the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(d) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

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

(g) **Credit Linked Notes**

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

(h) **Cancellation**

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

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

7 Payments

(a) Principal and Interest in respect of Bearer Notes

Payments of principal and interest (which shall include the Redemption Amount and the Early Redemption Amount) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of any Paying Agent by transfer to an account maintained by the holder in the currency in which payment is due with, a bank in the principal financial centre for that currency or, at the option of the relevant Paying Agent, by a cheque drawn in that currency.

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

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

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

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

(c) Payments subject to Law, etc.

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

(d) Appointment of Agents

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

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

Subject to the provisions of the Agency Agreement, the Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of the holder of any Note or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which all of the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP

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

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

(i) Bearer Notes which comprise Fixed Rate Notes (other than Credit Linked Notes) and Hybrid Notes should be surrendered for payment together with all unmatured Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

(ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Note comprising a Floating Rate Note, Variable Rate Note, Credit Linked Note or Hybrid Note is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

(f) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) **Non-business Days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) **Default Interest**

If on or after the due date for payment of any sum in respect of the Notes (other than AMTNs), payment of all or any part of such sum is not made against due presentation of the Notes (in the case of Bearer Notes) or the Certificates representing the Notes or, as the case may be, the Coupons, or if any sum in respect of the AMTNs is not paid in full on its due date, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Securityholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to one per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note or (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during such preceding period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this Condition 7(h) shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

(i) **AMTNs**

(i) The Australian Agent will act (through its office in Sydney) as paying agent for AMTNs pursuant to the Australian Agency Agreement and:

(A) if the AMTNs are in the clearing system (the "**Austraclear System**") operated by Austraclear, by crediting to the account (held with a bank in Australia) notified by Austraclear to the Australian Agent, or otherwise by paying to Austraclear in the manner required by Austraclear, each amount due under the AMTNs and on its due date (including on the relevant Interest Payment Date or Maturity Date (as the case may be)) and otherwise in accordance with the rules and regulations known as the "**Austraclear System Regulations**" established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System; and

(B) if the AMTNs are not in the Austraclear System, by crediting each amount due to a Securityholder and on its due date (including on the relevant Interest Payment Date or Maturity Date (as the case may be), to an Australian dollar account (held with a bank in Australia) previously notified in writing by that Securityholder to the Issuer and the Australian Agent or, in the absence of such notification by close of business on the relevant Record Date (as defined below) either (x) at the option of the Australian Agent, by cheque drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date to that Securityholder (or to the first named of the relevant joint Securityholders) or (y) by such other method of payment capable of transferring such amount to the Securityholder as may be proposed with adequate notice to the Australian Agent by the Securityholder and agreed to by the Australian Agent (such agreement not to be unreasonably withheld).

(ii) If a payment in respect of the AMTN is prohibited by law from being made in Australia, such payment will be made in an international financial center for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferrable at the order of the payee.

For the purposes of this Condition 7(i), in relation to AMTNs, "**Business Day**" has the meaning given in the Australian Agency Agreement.

(iii) Payments of principal and interest will be made in Sydney in Australian dollars to the persons registered at the close of business in Sydney on the relevant Record Date (as defined below) as the holders of such AMTNs or (if so required by the Trustee by notice in writing following the occurrence of an Event of Default or Potential Event of Default or following receipt by the Trustee of any money which it proposes to pay under Clause 7.1 of the Trust Deed) to the Trustee, subject in all cases to normal banking practice and all applicable laws and regulations. Payment will be made by the Australian Agent giving in Sydney irrevocable instructions for the effecting of a transfer of the relevant funds to an Australian dollar account in Australia specified by the Securityholder to the Australian Agent (or in any other manner in Sydney which the Australian Agent and the Securityholder agree) or, at the option of the Australian Agent, by cheques drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date at the risk of the Securityholder. Payment of an amount due in respect of an AMTN to the holder or otherwise in accordance with this Condition or to the Trustee discharges the obligation of the Issuer to all persons to pay that amount.

(iv) In the case of payments made by electronic transfer, payments will for all purposes be taken to be made when the Australian Agent gives irrevocable instructions in Sydney for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account of the Securityholder on the same day as the day on which the instructions are given.

(v) If an electronic transfer or a cheque posted for which irrevocable instructions have been given by the Australian Agent is shown, to the satisfaction of the Australian Agent, not to have reached the Securityholder and the Australian Agent is able to recover the relevant funds, the Australian Agent may make such other arrangements as it thinks fit for the effecting of the payment in Sydney.

(vi) Interest will be calculated in the manner specified in Condition 5 and will be payable to the persons who are registered as Securityholders at the close of business in Sydney on the relevant Record Date and, if such payment is to be made by cheque at the option of the Australian Agent, cheques will be made payable to the Securityholder (or, in the case of joint Securityholders, to the first-named) and sent to their registered address, unless instructions to the contrary are given by the Securityholder (or, in the case of joint Securityholders, by all the Securityholders) in such form as may be prescribed by the Australian Agent. In the absence of notification by a Securityholder of his Australian dollar account (held with a bank in Australia) and the election by the Australian Agent to not make payment by cheque, payment shall be made by such other method capable of transferring such amount to the Securityholder as may be proposed with adequate notice to the Australian Agent by the Securityholder and agreed to by the Australian Agent (such agreement not to be unreasonably withheld). Payments of principal will be made, when due, to, or to the order of, the persons who are registered as Securityholders at the close of business in Sydney on the relevant Record Date, subject, if so directed by the Australian Agent, to receipt from them of such instructions as the Australian Agent may require.

(vii) If any day for payment in respect of any AMTN is not a Business Day, such payment shall not be made until the next day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment.

(viii) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Neither the Issuer nor the Australian Agent shall be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to or resulting from such payments.

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

8 Taxation

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

(a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or

(b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

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

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

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Securityholders in accordance with Condition 16 that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**interest**" and/or "**Early Redemption Amounts**" shall be deemed to include any additional amounts which may be payable under these Conditions.

9 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (each an "**Event of Default**") shall have occurred and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (provided in any such case that the Trustee shall first have been indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer and the Guarantor that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

(a) the Issuer or the Guarantor does not pay any principal or interest payable under any of the Notes and such default continues for a period of five business days after the due date;

(b) the Issuer or the Guarantor does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer or the Guarantor referred to in Condition 10(a)) under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes and, if that default is capable of remedy, it is not remedied within 30 days after the date of the notice from the Trustee or a holder of the relevant AMTNs to the Issuer or, as the case may be, the Guarantor requiring the same to be remedied;

(c) (i) any other indebtedness of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT in respect of borrowed money becomes due and payable prior to its stated maturity by reason of any event of default (however described) or is not paid when due or within any originally agreed applicable grace period; or

(ii) the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT fails to pay when properly called upon to do so, any guarantee of indebtedness for borrowed moneys,

provided however that no Event of Default will occur under this Condition 10(c) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this Condition 10(c)has/have occurred equals or exceeds S$50,000,000 or its equivalent in other currency or currencies;

(d) the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT is (or is deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness (other than those contested in good faith and by appropriate proceedings), takes any proceeding under any law for the rescheduling, readjustment or deferment of all or a material part of its indebtedness (or of any material part which it will otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT;

(e) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT and is not discharged or stayed within 30 days;

(f) any security on or over the whole or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT becomes enforceable;

(g) any meeting is convened, or any petition or originating summons is presented or any order is made or any resolution is passed for the winding-up (as defined in the Trust Deed) of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT (except (i) for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Securityholders or (ii) in the case of a Principal Subsidiary, where such winding-up does not involve insolvency and results in such Principal Subsidiary, as the case may be, being able to pay all of its creditors in full) or a liquidator (including a provisional liquidator), receiver,

judicial manager, trustee, administrator, agent or similar officer of the Issuer, the Guarantor, any of the Principal Subsidiaries of FCT or over all or any substantial part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT is appointed and (other than the appointment of a judicial manager or liquidator (including a provisional liquidator)) is not discharged within 30 days;

(h) the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT ceases to carry on the whole or a substantial part of its business, except (A) for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Securityholders or (B) in the case of a Principal Subsidiary, where such cessation does not involve insolvency and results in such Principal Subsidiary being able to pay all of its creditors in full. For the purposes of this Condition 10(h), no cessation of any part of the business of FCT or any of the Principal Subsidiaries of FCT shall constitute an Event of Default if such cessation:

(i) does not require the approval of the unitholders of FCT in a general meeting under the rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); or

(ii) has been approved by the unitholders of FCT in a duly convened general meeting of FCT in accordance with the rules of the SGX-ST and the FCT Trust Deed (as defined below) and such approval has not been obtained in consideration for the payment of a consent fee or any other financial incentive to some or all unitholders of FCT;

(i) an order is made by any government authority or agency with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or substantially all of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT and such event has a material adverse effect on the Issuer or the Guarantor;

(j) if at any time any act, condition or thing which is required to be done, fulfilled or performed in order (i) to enable the Issuer or the Guarantor lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it under and in respect of the Notes and the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll, (ii) to ensure that those obligations are legal, valid, binding and enforceable or (iii) to make the Notes, the Coupons and the Trust Deed admissible in evidence in Singapore is not done, fulfilled or performed (unless such condition is no longer required or applicable);

(k) it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of their obligations under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes;

(l) the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes ceases for any reason (or is claimed by the Issuer or the Guarantor not) to be the legal and valid obligations of the Issuer or the Guarantor, binding upon it in accordance with its terms (subject to equitable principles and insolvency laws affecting creditors' rights generally);

(m) any litigation, arbitration or administrative proceeding (other than those of a vexatious or frivolous nature or which are contested in good faith) against the Issuer or the Guarantor is current or pending to restrain the entry into, the exercise of any of the rights under, and/ or the performance or enforcement of, or compliance with, any of the material obligations of the Issuer or the Guarantor under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes;

(n) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in Conditions 10(d), 10(e), 10(f), 10(g), 10(h) or 10(i);

(o) the Issuer, the Guarantor or any of the Principal Subsidiaries of FCT is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore;

(p) (i)(1) the FCT Trustee resigns or is removed from the position of trustee for FCT, (2) an order is made for the winding-up of the FCT Trustee, a receiver, judicial manager, administrator, agent or similar officer of the FCT Trustee is appointed, and/or (3) there is a declaration, imposition or promulgation in Singapore or in any relevant jurisdiction of a moratorium, any form of exchange control or any law, directive or regulation of any agency or the amalgamation, reconstruction or reorganisation of the FCT Trustee which prevents or restricts the ability of the FCT Trustee to perform its obligations under any of the Notes, the Trust Deed or the Agency Agreement and (ii) a replacement or substitute trustee of FCT is not appointed in accordance with the terms of the trust deed dated 5 June 2006 constituting FCT (as amended by the first supplemental deed dated 4 October 2006, the first amending and restating deed dated 7 May 2009, the second supplemental deed dated 22 January 2010, the third supplemental deed dated 17 December 2015 and the fourth supplemental deed dated 19 January 2017, and as further amended and supplemented from time to time) (the "**FCT Trust Deed**"); and

(q) the FCT Manager resigns or is removed as a manager of FCT and a replacement or substitute manager is not appointed in accordance with the FCT Trust Deed.

11 Enforcement of Rights

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer or the Guarantor as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Securityholders of such Notes or so requested in writing by Securityholders holding not less than 25 per cent. in principal amount of such Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Securityholders to its satisfaction. No Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

12 Meeting of Securityholders and Modifications

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

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

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

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

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) **Meetings of AMTN holders**

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

13 Replacement of Notes, Certificates, AMTN Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders in accordance with Condition 16, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer and/or the Guarantor may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

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

(a) that the AMTN Certificate will be deemed to be cancelled without any further formality; and

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

14 Further Issues

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

15 Indemnification of the Trustee

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

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

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

Whenever the Trustee is required or entitled by the terms of the Trust Deed, these Conditions or any other transaction document to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Securityholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable to any person for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received. For the avoidance of doubt, even if such directions are received, the Trustee shall not be required to exercise any such discretion or power or take any such action as aforesaid unless it has first been indemnified and/or secured and/or pre-funded to its satisfaction.

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

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

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

16 Notices

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

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or CDP, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of CDP) CDP for communication by it to the Securityholders, except that if the Notes are listed on any stock exchange and the rules of such stock exchange so require, notice will in any event be published in accordance with the preceding paragraphs. Any such notice shall be deemed to have been given to the Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

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

Notwithstanding the other provisions of this Condition 16, in any case where the identities and addresses of all the Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

17 Acknowledgement

(a) Notwithstanding any provision to the contrary in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, the Trustee, the Securityholders and the Couponholders acknowledge and agree that HSBC Institutional Trust Services (Singapore) Limited ("**HSBCITS**") has entered into the Trust Deed only in its capacity as trustee of FCT and not in its personal capacity and all references to (in the case of Notes being issued by the FCT Trustee) the Issuer, the Guarantor or the FCT Trustee in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, these Conditions and the Coupons shall be construed accordingly. Accordingly, notwithstanding any provision to the contrary in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, HSBCITS has assumed all obligations under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith in its capacity as trustee of FCT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty

given by the FCT Trustee as an Issuer or the Guarantor under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith is given by HSBCITS only in its capacity as trustee of FCT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith is limited to the assets of FCT over which HSBCITS, in its capacity as trustee of FCT, has recourse and shall not extend to any personal or other assets of HSBCITS or any assets held by HSBCITS as trustee of any other trust (other than FCT). Any obligation, matter, act, action or thing required to be done, performed or undertaken by the FCT Trustee as an Issuer or the Guarantor under the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith shall only be in connection with matters relating to FCT (and shall not extend to any personal or other assets of HSBCITS or the obligations of HSBCITS in respect of any other trust or real estate investment trust of which it is a trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Securityholders and the Couponholders under law or equity whether in respect of any gross negligence, fraud or wilful default of the FCT Trustee in relation to the FCT Trust Deed.

(b) Notwithstanding any provision to the contrary in the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, it is hereby agreed that the FCT Trustee's obligations under the Trust Deed, the Notes, the Coupons, these Conditions and any document in connection herewith or therewith, in each case as an Issuer or the Guarantor, will be solely the corporate obligations of HSBCITS and there shall be no recourse against the shareholders, directors, officers or employees of HSBCITS for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Securityholders and the Couponholders under law or equity whether in respect of any gross negligence, fraud or wilful default of the FCT Trustee in relation to the FCT Trust Deed.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the FCT Trustee as an Issuer or the Guarantor whether in Singapore, England or elsewhere pursuant to the Trust Deed (and, where applicable, the Note (AMTN) Deed Poll), the Notes, the Coupons, these Conditions and any document in connection herewith or therewith shall be brought against HSBCITS in its capacity as trustee of FCT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Securityholders and the Couponholders under law or equity whether in respect of any gross negligence, fraud or wilful default of the FCT Trustee in relation to the FCT Trust Deed.

(d) The provisions of this Condition 17 shall apply, mutatis mutandis, to any notices, certificates or other documents which the FCT Trustee as an Issuer or the Guarantor issues under or pursuant to the Notes and any document in connection herewith or therewith as if expressly set out in such notices, certificates or documents and shall survive the termination or rescission of the Trust Deed or, as the case may be, redemption of the Notes or the Coupons.

18 Contracts (Rights of Third Parties) Act

[No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.]

[No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.]

19 Governing Law and Jurisdiction

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

(a) **Governing Law**

The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English law][1][Singapore law][2].

(b) **Jurisdiction**

The [Courts of England][1] [Courts of Singapore][2] are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes (other than AMTNs), Coupons, Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes (other than AMTNs), Coupons, Talons or the Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) [**Service of Process**

Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.][1]

(d) **AMTNs**

(i) The AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll shall be governed by the laws in force in New South Wales, Australia, save that the provisions of Condition 10 and Condition 12(a) shall be interpreted so as to have the same meaning they would have if governed by English Law.

(ii) The courts of New South Wales, Australia and the courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with them and any suit, action or proceedings arising out of or in connection with the AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll (together referred to as "**Australian Proceedings**") may be brought in such courts.

(iii) For so long as any AMTNs are outstanding, the Issuer agrees that it will irrevocably appoint an agent in Australia to receive, for it and on its behalf, service of process in any Australian Proceedings in Australia.

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[1] Include for Notes governed by English law.

[2] Include for Notes governed by Singapore law.

TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

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

The Perpetual Securities are issued by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust ("**FCT**") and in such capacity, the "**FCT Trustee**") or FCT MTN Pte. Ltd. ("**FCT MTN**") (each, in relation to Perpetual Securities issued by it, the "**Issuer**") pursuant to the Trust Deed (as defined below). Issues of Perpetual Securities by FCT MTN will be guaranteed by the FCT Trustee (in such capacity, the "**Guarantor**"). References in these Conditions to the Guarantor and the Guarantee shall only apply to Perpetual Securities issued by FCT MTN.

The Perpetual Securities are constituted by a trust deed dated 8 February 2017 (as amended or supplemented as at the date of issue of the Perpetual Securities (the "**Issue Date**"), the "**Trust Deed**") made between (1) FCT MTN, (2) the FCT Trustee and (3) The Bank of New York Mellon, London Branch (the "**Trustee**", which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Perpetual Securityholders (as defined below) as supplemented by the Singapore Supplemental Trust Deed (as amended and supplemented as at the Issue Date, the "**Singapore Supplemental Trust Deed**") dated 8 February 2017 between the same parties.

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Perpetual Securities, Certificates, Coupons and Talons referred to below. FCT MTN and the FCT Trustee have entered into an agency agreement dated 8 February 2017 made between (1) FCT MTN, (2) the FCT Trustee, (3) The Bank of New York Mellon, London Branch, as issuing and paying agent (in such capacity, the "Issuing and Paying Agent") and (where appointed as contemplated therein) as calculation agent (in such capacity, the "**Calculation Agent**"), (4) The Bank of New York Mellon, Singapore Branch, as CDP paying agent in respect of Perpetual Securities cleared through CDP (the "**CDP Paying Agent**") and, together with the Issuing and Paying Agent and any other paying agents that may be appointed, the "**Paying Agents**"), (5) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Perpetual Securities cleared through Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) and The Bank of New York Mellon, Singapore Branch, as transfer agent in respect of Perpetual Securities cleared through CDP (each a "**Transfer Agent**" and, together with any other transfer agents that may be appointed, the "**Transfer Agents**"), (6) The Bank of New York Mellon (Luxembourg) S.A., as registrar in respect of Perpetual Securities cleared through Euroclear or Clearstream, Luxembourg and The Bank of New York Mellon, Singapore Branch, as registrar in respect of Perpetual Securities cleared through CDP (each in such capacity, the "**Registrar**") and (7) the Trustee, as trustee in relation to the Perpetual Securities (as amended or supplemented as at the Issue Date, the "**Agency Agreement**"). The Perpetual Securityholders and the holders (the "**Couponholders**") of the distribution coupons (the "**Coupons**") appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the "**Talons**") are bound by and are deemed to have notice of all of the provisions of these Conditions, (in respect of the holders of Perpetual Securities) all the provisions of the Trust Deed and the applicable Pricing Supplement, and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

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

1 Form, Denomination and Title

(a) **Form and Denomination**

(i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the "**Perpetual Securities**") are issued in bearer form ("**Bearer Perpetual Securities**") or in registered form ("**Registered Perpetual Securities**"), in each case in the Denomination Amount shown hereon.

(ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).

(iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.

(iv) Registered Perpetual Securities are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

(b) **Title**

(i) Title to the Bearer Perpetual Securities and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and shall be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Perpetual Securities is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or CDP as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or CDP as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the Transfer Agents and all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Perpetual Securityholder**" and "**holder of Perpetual Securities**" and related expressions shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate will

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

(iv) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) a common depositary for Euroclear and/or Clearstream, Luxembourg, (2) CDP and/or (3) any other clearing system, "**Perpetual Securityholder**" means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and "**holder**" (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), "**Series**" means a Tranche, together with any further Tranche or Tranches, which are (A) expressed to be consolidated and forming a single series and (B) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and "**Tranche**" means Perpetual Securities which are identical in all respects (including as to listing).

(v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

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

(a) **No Exchange of Perpetual Securities**

Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.

(b) **Transfer of Registered Perpetual Securities**

Subject to Conditions 2(e) and 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Perpetual Securityholder upon request.

(c) **Exercise of Options or Partial Redemption in Respect of Registered Perpetual Securities**

In the case of an exercise of the Issuer's option in respect of, or a partial redemption of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).

(e) **Transfers Free of Charge**

Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Guarantor, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the relevant Transfer Agent may require) in respect of tax or charges.

(f) **Closed Periods**

No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of 15 days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5(b), (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

3 Status and Guarantee

(a) **Senior Perpetual Securities**

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

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

The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

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

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

(b) **Subordinated Perpetual Securities**

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

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

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

In these Conditions, "**Parity Obligation**" means (i) in the case of FCT MTN, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by FCT MTN (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Perpetual Securities of FCT MTN and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of FCT MTN and/or, in the case of an instrument or security guaranteed by FCT MTN, the issuer thereof and (ii) in the case of FCT, any instrument or security (including without limitation any preference units in FCT) issued, entered into or guaranteed by the FCT Trustee on behalf of FCT (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with a Notional Preferred Unit (as defined below) and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the FCT Trustee and/or, in the case of an instrument or security guaranteed by the FCT Trustee, the issuer thereof.

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

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

(b) In the case where the FCT Trustee is the Issuer, subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of FCT, there shall be payable by the Issuer in respect of each Perpetual Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the winding-up of FCT, and thereafter, such Perpetual

Securityholder were the holder of one of a class of preferred units in the capital of FCT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**Notional Preferred Units**") having an equal right to return of assets in the winding-up of FCT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the winding-up of FCT, and so rank ahead of the holders of Junior Obligations (as defined in Condition 4(IV)(a)) of FCT, but junior to the claims of all other present and future creditors of FCT (other than Parity Obligations of FCT), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each Notional Preferred Unit on a return of assets in such winding-up was an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions (as defined in Condition 4(IV)(c)) in respect of which the Issuer has given notice to the Perpetual Securityholders in accordance with these Conditions.

In these Conditions, "**winding-up**" means the bankruptcy, termination, winding-up, liquidation, receivership or similar proceedings in respect of FCT MTN or, as the case may be, FCT.

(iii) **No set-off – Issuer**

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

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

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

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

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of FCT, there shall be payable by the Guarantor under and in accordance with the terms of the Subordinated Guarantee in respect of each Perpetual Security (in lieu of any other payment by the Guarantor) such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the winding-up of FCT, and thereafter, such Perpetual Securityholder were the holder of Notional Preferred Units having an equal right to return of assets in the winding-up of FCT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the winding-up of FCT, and so rank ahead of the holders of Junior Obligations of FCT, but junior to the claims of all other present and future creditors of FCT (other than Parity Obligations of FCT), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each Notional Preferred Unit on a return of assets in such winding-up was an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions in respect of which the Issuer has given notice to the Perpetual Securityholders in accordance with these Conditions.

(vi) **No set-off – Guarantor**

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

4 Distribution and other Calculations

(I) Distribution on Fixed Rate Perpetual Securities

(a) **Distribution Rate and Accrual**

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

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

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

(b) **Distribution Rate**

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

(i) (if no Reset Date is specified in the applicable Pricing Supplement),

(1) if no Step-Up Margin is specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security; or

(2) if a Step-Up Margin is specified in the applicable Pricing Supplement, (A) for the period from (and including) the Distribution Commencement Date to (but excluding) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (B) for the period from (and including) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security plus the Step-Up Margin (as specified in the applicable Pricing Supplement); and

(ii) (if a Reset Date is specified in the applicable Pricing Supplement), (1) for the period from (and including) the Distribution Commencement Date to (but excluding) the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from (and including) the First Reset Date and each Reset Date (as shown in the applicable Pricing Supplement) falling thereafter to (but excluding) the immediately following Reset Date, the Reset Distribution Rate (as specified in the applicable Pricing Supplement),

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

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

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

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

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

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

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

(f) **Calculations**

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

(II) Distribution on Floating Rate Perpetual Securities

(a) **Distribution Payment Dates**

Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date (each a "**Distribution Payment Date**"). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period on the face of the Perpetual Security (the "**Specified Number of Months**") after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be). If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

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

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

(b) **Distribution Rate for Floating Rate Perpetual Securities**

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

(i) ISDA Determination for Floating Rate Perpetual Securities

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

(A) the Floating Rate Option is as specified hereon;

(B) the Designated Maturity is a period specified hereon; and

(C) the relevant Reset Date is the first day of that Distribution Period unless otherwise specified hereon.

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

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

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

(I) the offered quotation; or

(II) the arithmetic mean of the offered quotations,

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

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

(B) If the Relevant Screen Page is not available or if, sub-paragraph (A)(I) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Distribution Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Distribution Rate for such Distribution Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(C) If sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Distribution Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Distribution Determination Date, deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Distribution Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Distribution Rate shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Distribution Rate is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to the relevant Distribution Period, in place of the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to that last preceding Distribution Period).

(iii) Screen Rate Determination for Floating Rate Perpetual Securities where the Reference Rate is specified as being SIBOR or SOR

(A) Each Floating Rate Perpetual Security where the Reference Rate is specified as being SIBOR (in which case such Perpetual Security will be a SIBOR Perpetual Security) or SOR (in which case such Perpetual Security will be a Swap Rate Perpetual Security) confers a right to receive distribution at a floating rate determined by reference to a Benchmark as specified hereon or in any case such other Benchmark as specified hereon;

(B) The Distribution Rate payable from time to time in respect of each Floating Rate Perpetual Security under this Condition 4(II)(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:

(I) in the case of Floating Rate Perpetual Securities which are SIBOR Perpetual Securities:

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Distribution Rate for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11.00 HRS SINGAPORE TIME" and the column headed "SGD SIBOR" (or such other Relevant Screen Page);

(bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Perpetual Securities. The Distribution Rate for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;

(cc) if on any Distribution Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and

(dd) if on any Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number)

to the Calculation Agent at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate or if on such Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date;

(II) in the case of Floating Rate Perpetual Securities which are Swap Rate Perpetual Securities

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Distribution Rate for such Distribution Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period;

(bb) if on any Distribution Determination Date no such rate is quoted on Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, such Calculation Agent will determine the Distribution Rate for such Distribution Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest four decimal places)) for a period equal to the duration of such Distribution Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select;

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

quotation, the Distribution Rate for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about 11.00 a.m. (Singapore time) on such Distribution Determination Date.

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

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

(c) **Definitions**

As used in these Conditions:

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

"**business day**" means:

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

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

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

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

(i) if "**Actual/Actual**" or "**Actual/Actual — ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (y_2 - y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

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

$$\text{Day Count Fraction} = \frac{[360 \times (y_2 - y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

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

$$\text{Day Count Fraction} = \frac{[360 \times (y_2 - y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual — ICMA**" is specified in the applicable Pricing Supplement,

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

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

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

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

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

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

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

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

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

"**Reference Rate**" means the rate specified as such hereon;

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

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

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

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

(III) Calculations

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

(i) If any Margin is specified hereon (either (A) generally, or (B) in relation to one or more Distribution Periods), an adjustment shall be made to all Distribution Rates, in the case of (A), or the Distribution Rates for the specified Distribution Periods, in the case of (B), calculated in accordance with Condition 4(II) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.

(ii) If any Maximum Distribution Rate or Minimum Distribution Rate is specified hereon, then any Distribution Rate shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(b) **Determination of Distribution Rate and Calculation of Distribution Amounts**

The Calculation Agent will, as soon as practicable after the Relevant Time on each Distribution Determination Date determine the Distribution Rate and calculate the amount of distribution payable (the "**Distribution Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) **Notification**

The Calculation Agent will cause the Distribution Rate and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Perpetual Securities, if so required by the Issuer, the Calculation Agent will also cause the Distribution Rate and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to Perpetual Securityholders in accordance with Condition 14 as soon as possible after their determination. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event occurs in relation to the Floating Rate Perpetual Securities, the Distribution Rate and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Distribution Rate and Distribution Amounts need to be made unless the Trustee requires otherwise.

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

If the Calculation Agent does not at any material time determine or calculate the Distribution Rate for a Distribution Period or any Distribution Amount, the Trustee may, but shall not be obliged to, do so or otherwise procure the determination or calculation of such Rate of Interest or Interest Amount. If it does so, the Trustee or any other person making such determination or calculation shall apply the provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Calculation Agent.

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

The Issuer will procure that, so long as any Floating Rate Perpetual Security remains outstanding (as defined in the Trust Deed), there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Distribution Rate for any Distribution Period or to calculate the Distribution Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

(IV) Distribution Discretion

(a) **Optional Payment**

If Optional Payment is set out hereon, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an "**Optional Payment Notice**") to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 15 nor less than five business days (or such other notice period as may be specified hereon) prior to a scheduled Distribution Payment Date.

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

(i) a dividend, distribution or other payment has been declared or paid on or in respect of any of FCT's Junior Obligations or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations; or

(ii) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Parity Obligations of FCT or (in the case where FCT MTN is the Issuer) the Issuer for Junior Obligations of FCT or (in the case where FCT MTN is the Issuer) the Issuer (a "**Compulsory Distribution Payment Event**") and/or as otherwise specified in the applicable Pricing Supplement.

In these Conditions, "**Junior Obligation**" means (i) in the case of FCT MTN, any of its ordinary shares and any class of its share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by FCT MTN that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities and (ii) in the case of FCT, any class of equity capital in FCT and any instrument or security issued, entered into or guaranteed by the FCT Trustee on behalf of FCT, other than any instrument or security (including without limitation any preferred units) ranking in priority in payment and in all other respects to the ordinary units of FCT.

Each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by a director or an Authorised Signatory of FCT MTN or, in the case of the FCT Trustee acting as the Issuer, a certificate signed by a director or an Authorised Signatory of Frasers Centrepoint Asset Management Ltd., as manager of FCT (the "**FCT Manager**") to be procured by the FCT Trustee confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

(b) **No Obligation to Pay**

If Optional Payment is set out hereon and subject to Condition 4(IV)(c) and Condition 4(IV)(d), the Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the Issuer in respect of the Perpetual Securities.

(c) **Non-Cumulative Deferral and Cumulative Deferral**

(i) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid ("**Optional Distribution**") (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to this Condition 4(IV).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

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

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

(d) **Restrictions in the case of Non-Payment**

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the Issuer and the Guarantor shall not and the FCT Trustee shall procure that none of FCT's subsidiaries shall:

(i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations; or

(ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of FCT's or (in the case where FCT MTN is the Issuer) the Issuer's Parity Obligations,

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

(e) **Satisfaction of Optional Distribution or Arrears of Distribution**

The Issuer:

(i) may, at its sole discretion, satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 10 business days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and

(ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:

(A) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);

(B) the next Distribution Payment Date on the occurrence of a breach of Condition 4(IV)(d) or the occurrence of a Compulsory Distribution Payment Event; and

(C) the date such amount becomes due under Condition 9 or on a winding-up of the Issuer or the Guarantor.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro-rata* basis.

(f) **No Default**

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Perpetual Securities.

For the avoidance of doubt, nothing in this Condition 4(IV) shall restrict the payment of any fees to any party by way of issuance of units or payment of cash by FCT.

5 Redemption and Purchase

(a) **No Fixed Redemption Date**

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 5.

(b) **Redemption at the Option of the Issuer**

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

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Perpetual Securities are listed on any stock exchange, the Issuer shall comply with the rules of such stock exchange in relation to the publication of any redemption of such Perpetual Securities.

(c) **Redemption for Taxation Reasons**

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

(i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative

pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, or as a result of a position adopted by any political subdivision or any authority of or in Singapore having power to tax, which causes the Perpetual Securities not to qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore, which position becomes effective on or after the Issue Date or any other date specified in the Pricing Supplement; and

(ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

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

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver or procure that there is delivered to the Issuing and Paying Agent and the Trustee a certificate signed by an Authorised Signatory of FCT MTN, or in the case of the FCT Trustee acting as the Issuer or the Guarantor, as the case may be, by an Authorised Signatory of the FCT Manager stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

Upon the expiry of any such notice as is referred to in this Condition 5(c), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(c).

(d) **Redemption for Accounting Reasons**

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

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(i) a certificate, signed by an Authorised Signatory of FCT MTN or, in the case of the FCT Trustee acting as the Issuer, by an Authorised Signatory of the FCT Manager stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

(ii) an opinion of the Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(d), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

(e) **Redemption for Tax Deductibility**

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

(i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;

(ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or

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

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

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(1) a certificate, signed by an Authorised Signatory of FCT MTN or, in the case of the FCT Trustee acting as the Issuer, by an Authorised Signatory of the FCT Manager stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

(2) an opinion of the Issuer's independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(e), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(e).

(f) **Redemption upon a Regulatory Event**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix (as defined below), or any change in the application or official interpretation of the Property Funds Appendix, the Perpetual Securities will count towards the Aggregate Leverage (as defined below) under the Property Funds Appendix, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Perpetual Securities will count towards the Aggregate Leverage.

Prior to the publication of any notice of redemption pursuant to this Condition 5(f), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(i) a certificate signed by a director or an Authorised Signatory of FCT MTN or, in the case of the FCT Trustee acting as the Issuer, by a director or an Authorised Signatory of the FCT Manager stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances; and

(ii) an opinion of independent legal or any other professional advisers of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to, or change in application or interpretation of, the Property Funds Appendix, took, or is due to take, effect.

Upon the expiry of any such notice as is referred to in this Condition 5(f), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(f).

In this Condition 5(f), "**Aggregate Leverage**" means, as defined under the Property Funds Appendix, the total borrowings and deferred payments of a real estate investment trust, or such other definition as may from time to time be provided for under the Property Funds Appendix and "**Property Funds Appendix**" means appendix 6 to the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore in relation to real estate investment trusts.

(g) **Redemption upon a Ratings Event**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of the Rating Agency (as defined below) specified hereon (or any other rating agency of equivalent recognised standing requested from time to time by the Issuer to grant a rating to the Issuer or the Perpetual Securities) and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned or which would have been assigned on the Issue Date (in the case of such Rating Agency) or assigned at the date when equity credit is assigned for the first time (in the case of any other rating agency), provided that, prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent a certificate signed by a director or an Authorised Signatory of FCT MTN or, in the case of the FCT Trustee acting as the Issuer, by a director or an Authorised Signatory of the FCT Manager stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances.

Upon the expiry of any such notice as is referred to in this Condition 5(g), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(g).

In this Condition 5(g), "**Rating Agencies**" means (a) Moody's Investors Service Inc., (b) Fitch, Ratings Inc., and/or (c) Standard & Poor's Rating Services, and their respective successors and "**Rating Agency**" means any one of them.

(h) **Redemption in the case of Minimal Outstanding Amount**

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

Upon expiry of any such notice as is referred to in this Condition 5(h), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(h).

(i) **Redemption upon a Change of Control**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the FCT Manager resigns or is removed as manager of FCT and a replacement or substitute manager is not appointed in accordance with the trust deed dated 5 June 2006 constituting FCT (as amended by the first supplemental deed dated 4 October 2006, the first amending and restating deed dated 7 May 2009, the second supplemental deed dated 22 January 2010, the third supplemental deed dated 17 December 2015 and the fourth supplemental deed dated 19 January 2017, and as further amended and supplemented from time to time) (the "**FCT Trust Deed**") (a "**Change of Control Event**").

(j) **Purchases**

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

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

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

(k) **Cancellation**

All Perpetual Securities purchased by or on behalf of the Issuer, the Guarantor or any of the subsidiaries of FCT may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

6 Payments

(a) Principal and Distribution in respect of Bearer Perpetual Securities

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Paying Agent by transfer to an account maintained by the holder in the currency in which payment is due with a bank in the principal financial centre for that currency or, at the option of the relevant Paying Agent, by a cheque drawn in that currency.

(b) Principal and Distribution in respect of Registered Perpetual Securities

(i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).

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

(c) Payments subject to Law, etc.

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

(d) Appointment of Agents

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

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

Subject to the provisions of the Agency Agreement, the Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of the holder of any Perpetual Security or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which all of the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee

may mutually deem necessary or desirable, provided that in each case such amendment does not, in the opinion of each of the Issuer, the Guarantor and the Trustee, adversely affect the interests of the holders of the Perpetual Securities or the Coupons. Any such amendment shall be binding on the holder of any Perpetual Security or Coupon.

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

(i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unmatured Coupons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unmatured Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unmatured Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

(f) **Talons**

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(g) **Non-business Days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further distribution or other payment in respect of any such delay.

7 Taxation

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

(a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or

(b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(c) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Perpetual Security (or the Certificate representing it), or Coupon is presented for payment.

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

Where the Perpetual Securities are not recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities by or on behalf of the Issuer or, as the case may be, the Guarantor may be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax in the same manner as distributions on ordinary units of FCT, and the FCT Trustee may be obliged (in certain circumstances) to withhold or deduct tax at the prevailing rate (currently 10 per cent. or 17 per cent.) under Section 45G of the Income Tax Act, Chapter 134 of Singapore. In that event, the Issuer or, as the case may be, the Guarantor will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of the Perpetual Securities for or on account of any such taxes or duties.

As used in these Conditions, "**Relevant Date**" in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in

respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, "**distribution**" shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**distribution**" shall be deemed to include any additional amounts which may be payable under these Conditions.

8 Prescription

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of distributions) from the appropriate Relevant Date in respect of them.

9 Non-payment

(a) Non-payment when Due

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer and/or the Guarantor in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities, the Guarantee or the Trust Deed.

(b) Proceedings for Winding-Up

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

(c) Enforcement

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may without further notice to the Issuer or the Guarantor institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or the Guarantor under the Perpetual Securities, the Guarantee or the Trust Deed, as the case may be, (other than any payment obligation of the Issuer or the Guarantor under or arising from the Perpetual Securities or the Guarantee, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any damages awarded for breach of any obligations)) and in no event shall the Issuer or the Guarantor, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(d) Entitlement of Trustee

The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer and/or the Guarantor to enforce the terms of the Trust Deed, the Guarantee or the Perpetual Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 25 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded by the Perpetual Securityholders to its satisfaction.

(e) **Right of Perpetual Securityholders or Couponholder**

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor or to institute proceedings for the winding-up or claim in the liquidation of the Issuer and/or the Guarantor or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the Issuer and/or the Guarantor as those which the Trustee is entitled to exercise as set out in this Condition 9.

(f) **Extent of Perpetual Securityholders' Remedy**

No remedy against the Issuer or the Guarantor, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed, the Perpetual Securities or the Guarantee or in respect of any breach by the Issuer or the Guarantor of any of its other obligations under or in respect of the Trust Deed, the Perpetual Securities or the Guarantee (as applicable).

10 Meeting of Perpetual Securityholders and Modifications

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

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

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

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

These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

11 Replacement of Perpetual Securities, Certificates, Coupons and Talons

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

12 Further Issues

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

13 Indemnification of the Trustee

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

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

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

Whenever the Trustee is required or entitled by the terms of the Trust Deed, these Conditions or any other transaction document to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Perpetual Securityholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable to any person for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received.

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

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

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

14 Notices

Notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders of Perpetual Securities will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Perpetual Securities can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in The Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Perpetual Securities in accordance with this Condition 14.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or CDP, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of CDP) CDP for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the preceding paragraphs. Any such notice shall be deemed to have been given to the Perpetual Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

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

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

15 Acknowledgement

(a) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, the Trustee, the Perpetual Securityholders and the Couponholders acknowledge and agree that HSBC Institutional Trust Services (Singapore) Limited ("**HSBCITS**") has entered into the Trust Deed only in its capacity as trustee of FCT and not in its personal capacity and all references to (in the case of Perpetual Securities issued by the FCT Trustee) the Issuer, the Guarantor or the FCT Trustee in the Trust Deed, the Perpetual Securities and the Coupons shall be construed accordingly. Accordingly, notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, HSBCITS has assumed all obligations under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith in its capacity as trustee of FCT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given by the FCT Trustee as an Issuer or the Guarantor under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith is given by HSBCITS only in its capacity as trustee of FCT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith is limited to the assets of FCT over which HSBCITS, in its capacity as trustee of FCT, has recourse and shall not extend to any personal or other assets of HSBCITS or any assets held by HSBCITS as trustee of any other trust (other than FCT). Any obligation, matter, act, action or thing required to be done, performed or undertaken by the FCT Trustee as an Issuer or the Guarantor under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith shall only be in connection with matters relating to FCT (and shall not extend to any personal or other assets of HSBCITS or the obligations of HSBCITS in respect of any other trust or real estate investment trust of which it is a trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders under law or equity whether in respect of any gross negligence, fraud or wilful default of the FCT Trustee in relation to the FCT Trust Deed.

(b) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, it is hereby agreed that the FCT Trustee's obligations under the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith, in each case as an Issuer or the Guarantor, will be solely the corporate obligations of HSBCITS and there shall be no recourse against the shareholders, directors, officers or employees of HSBCITS for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the

Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders under law or equity whether in respect of any gross negligence, fraud or wilful default of the FCT Trustee in relation to the FCT Trust Deed.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the FCT Trustee as an Issuer or the Guarantor whether in Singapore, England or elsewhere pursuant to the Trust Deed, the Perpetual Securities, the Coupons, these Conditions and any document in connection herewith or therewith shall be brought against HSBCITS in its capacity as trustee of FCT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders under law or equity whether in respect of any gross negligence, fraud or wilful default of the FCT Trustee in relation to the FCT Trust Deed.

(d) The provisions of this Condition 15 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the FCT Trustee as an Issuer or the Guarantor issues under or pursuant to the Perpetual Securities and any document in connection herewith or therewith as if expressly set out in such notices, certificates or documents and shall survive the termination or rescission of the Trust Deed or, as the case may be, redemption of the Perpetual Securities or the Coupons.

16 Contracts (Rights of Third Parties) Act

[No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act 1999.][1]

[No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.][2]

17 Governing Law and Jurisdiction

(a) **Governing Law**

The Trust Deed, the Perpetual Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English law, except that the subordination provisions set out in Condition 3(b) applicable to (i) the Issuer shall be governed by and construed in accordance with the laws of the Republic of Singapore; and (ii) the Guarantor shall be governed by and construed in accordance with the laws of the Republic of Singapore][1][Singapore law][2].

(b) **Jurisdiction**

The Courts of [England] [Singapore] are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Securities, Coupons, Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Securities, Coupons, Talons or the Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) [**Service of Process**

Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.][1]

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[1] Include for Perpetual Securities governed by English law.

[2] Include for Perpetual Securities governed by Singapore law.

SUMMARY OF PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

The following section does not apply to AMTNs and references in the following section to the "Issuing and Paying Agent" shall be to the Issuing and Paying Agent in respect of Securities other than AMTNs.

1 Initial Issue of Securities

Global Securities and Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary (as defined hereinafter).

Upon the initial deposit of a Global Security with a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**"), CDP, or registration of Registered Securities in the name of (i) any nominee for the Common Depository and/or (ii) CDP, the relevant clearing system will credit each subscriber with a nominal amount of Securities equal to the nominal amount thereof for which it has subscribed and paid.

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

2 Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, CDP or any other clearing system (each an "**Alternative Clearing System**") as the holder of a Security represented by a Global Security or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, and in relation to all other rights arising under the Global Securities or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by such Global Security or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Securities

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

(i) if the relevant Pricing Supplement indicates that such Global Security is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Summary of the Programme – Selling Restrictions"), in whole, but not in part, for the Definitive Securities defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Security or, if so provided in the relevant Pricing Supplement, for Definitive Securities.

3.2 Permanent Global Securities

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

(i) if the Permanent Global Security is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) if the Permanent Global Security is cleared through the CDP System (as defined in "Clearance and Settlement – CDP") and (a) an Event of Default (as defined in "Terms and Conditions of the Notes") has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available.

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

3.3 Global Certificates

If the Pricing Supplement states that the Securities are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Securities held in Euroclear or Clearstream, Luxembourg, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Securities within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Securities may be withdrawn from the relevant clearing system.

Transfers of the holding of Securities represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

(i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) with the consent of the Issuer; or

(iii) if the Global Certificate is cleared through CDP and:

  (a) an Event of Default has occurred and is continuing; or

  (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise); or

  (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available; or

  (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Securities

For so long as a Permanent Global Security is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Security will be exchangeable in part on one or more occasions for Definitive Securities if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Securities.

3.5 Delivery of Securities

On or after any due date for exchange the holder of a Global Security may surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Securities. In this Offering Circular, "**Definitive Securities**" means, in relation to any Global Security, the definitive Bearer Securities for which such Global Security may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest that have not already been paid on the Global Security and a Talon). Definitive Securities will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

3.6 Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Security, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Security, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Securities when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

4 Amendment to Conditions

The Temporary Global Securities, the Permanent Global Securities and the Global Certificates contain provisions that apply to the Securities that they represent, some of which modify the effect of the terms and conditions of the Securities set out in this Offering Circular. The following is a summary of certain of those provisions:

4.1 Payments

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

Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Securities. Condition 7(d)(vi) and Condition 8(e) of the Terms and Conditions of the Notes will apply to the definitive Notes only. Condition 6(d)(vi) and Condition 7(e) of the Terms and Conditions of the Perpetual Securities will apply to the definitive Perpetual Securities only.

For the purpose of any payments made in respect of a Global Security, the relevant place of presentation (if applicable) shall be disregarded in the definition of "business day" set out in Condition 7(h) of the Terms and Conditions of the Securities.

All payments in respect of Securities represented by a Global Certificate (other than a Global Certificate held through CDP) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

4.2 Prescription

Claims against the Issuer in respect of Securities that are represented by a Permanent Global Security will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 of the Terms and Conditions of the Securities).

4.3 Meetings

The holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall (unless such Permanent Global Security or Global Certificate represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Relevant Currency of the Securities. All holders of Registered Securities are entitled to one vote in respect of each integral currency unit of the Relevant Currency of the Securities comprising such Securityholder's holding, whether or not represented by a Global Certificate.

4.4 Cancellation

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

4.5 Purchase

Securities represented by a Permanent Global Security may only be purchased by the Issuer, the Guarantor or any subsidiaries of FCT if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Securities while such Securities are represented by a Permanent Global Security shall be exercised by the Issuer giving notice to the Securityholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Securities drawn in the case of a partial exercise of an option and accordingly no drawing of Securities shall be required. In the event of a partial redemption of Notes of any Series, Notes will be redeemed *pro rata* and the Calculation Amount of the

Notes shall be determined in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or CDP or any other clearing system (as the case may be) and the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of such clearing system.

4.7 Securityholders' Options

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

4.8 Trustee's Powers

In considering the interests of Securityholders while any Global Security is held on behalf of, or Registered Securities are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Security or Registered Securities and may consider such interests as if such accountholders were the holders of the Securities represented by such Global Security or Global Certificate.

4.9 Notices

So long as any Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held on behalf of:

(i) Euroclear and/or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) below of this paragraph 4.9), notices to the holders of Securities of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate; or

(ii) CDP, subject to the agreement of CDP, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate.

USE OF PROCEEDS

The net proceeds arising from the issue of Securities under the Programme (after deducting issue expenses) will be used for new investments, distributions, financing any asset enhancement works, re-financing any existing borrowings of the Group, on-lending to any trust, fund, limited liability partnership or entity in which FCT has a direct or indirect interest and/or to finance the Group's general corporate activities, working capital purposes and/or day-to-day ordinary course of business activities, or as otherwise specified in the applicable Pricing Supplement.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the consolidated capitalisation and indebtedness of the Group as at 30 September 2021. This table should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this Offering Circular.

	As at 30 September 2021 S$'000
Borrowings (Current) (1)	204,827
Borrowings (Non-current) (1)	1,604,089
Total Unitholders' Funds and Reserves	3,918,808
TOTAL CAPITALISATION	**5,727,724**

Notes:

(1) Net of unamortised transaction costs.

As at 30 September 2021, the Group has gross borrowings of S$1,815 million with an Aggregate Leverage of 33.3%[1].

[1] In accordance with the Property Funds Appendix, the aggregate leverage ratio included FCT's 40% proportionate share of deposited property value and borrowings in Sapphire Star Trust (which owns Waterway Point).

DESCRIPTION OF FCT MTN

History and Business

FCT MTN Pte. Ltd. ("**FCT MTN**") was incorporated with limited liability under the laws of the Republic of Singapore on 12 December 2008. It is a wholly-owned subsidiary of HSBC Institutional Trust Services (Singapore) Limited ("**HSBCIT**") in its capacity as trustee of FCT (the "**FCT Trustee**").

The principal activity of FCT MTN is the provision of treasury services, including lending to FCT the proceeds from issuance of notes under an unsecured multicurrency medium-term note programme established on 7 May 2009 ("**2009 MTN Programme**"). Since its incorporation, FCT MTN has not engaged in any material activities other than the establishment of the 2009 MTN Programme, the establishment of this Programme on 8 February 2017 (together with the 2009 MTN Programme, the "**Debt Issuance Programmes**"), the issue of Notes under the Debt Issuance Programmes and the authorisation of documents and agreements referred to in this Offering Circular to which it is or will be a party.

Registered Office

The registered address of FCT MTN as at the date of this Offering Circular is:

438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

Shareholding and Capital

As at the date of this Offering Circular, the issued share capital of FCT MTN is two ordinary shares of S$1 each. All of the issued share capital of FCT MTN is owned by the FCT Trustee.

Directors

As at the date of this Offering Circular, the directors of FCT MTN are Richard Ng and Tan Loo Ming.

DESCRIPTION OF FRASERS CENTREPOINT TRUST

HISTORY AND BACKGROUND

Frasers Centrepoint Trust ("**FCT**") is a real estate investment trust ("**REIT**") constituted by a trust deed entered into on 5 June 2006 as amended by a first supplemental deed dated 4 October 2006, as amended and restated by the first amending and restating deed dated 7 May 2009 and supplemented by a second supplemental deed dated 22 January 2010, third supplemental deed dated 17 December 2015, fourth supplemental deed dated 19 January 2017 and fifth supplemental deed dated 24 January 2018 and as further amended and supplemented from time to time (the "**FCT Trust Deed**") between the FCT Trustee and Frasers Centrepoint Asset Management Ltd. (the "**FCT Manager**"). Units in FCT were allotted in July 2006 based on a prospectus dated 27 June 2006. These units were subsequently listed on the Main Board of the SGX-ST on 5 July 2006. The market capitalisation of FCT is approximately S$3.809 billion[1] as at the Latest Practicable Date and it has total assets of approximately S$5.899 billion as at 30 September 2021.

FCT was established to invest in real estate and real estate-related assets. The principal activity of FCT is to invest in income-producing properties used primarily for retail purposes, in Singapore and overseas, with the primary objective of delivering regular and stable distributions to Unitholders and to achieve long-term capital growth.

FCT's initial portfolio ("**Initial Portfolio**") consisted of three suburban malls in Singapore, being Causeway Point, Northpoint Shopping Centre and Anchorpoint. The three malls enjoyed wide captive markets, good connectivity and high occupancy rates which provided the basis for a strong and sustainable income stream. In 2010, FCT acquired two suburban retail malls, Northpoint 2 and YewTee Point. Northpoint 2 was amalgamated with Northpoint Shopping Centre to form an enlarged Northpoint Shopping Centre, which was then subsequently renamed as Northpoint City North Wing. FCT acquired Bedok Point in 2011 and Changi City Point in 2014. In 2016, it acquired 10 strata-titled retail units at Yishun 10 Cinema Complex known as Yishun 10 Retail Podium.

FCT acquired an initial 17.1% stake in AsiaRetail Fund Limited ("**ARF**") in April 2019, and progressively increased its shareholdings in ARF thereafter. In October 2020, FCT completed the acquisition of the balance 63.11% interest in ARF (the "**ARF Acquisition**"). Following the ARF Acquisition, five retail properties: namely, Tampines 1, Century Square, Tiong Bahru Plaza, White Sands and Hougang Mall, and one office property, Central Plaza were added to FCT's property portfolio. FCT divested three retail properties in FY2021: namely, Bedok Point, Anchorpoint and YewTee Point as part of its portfolio re-constitution strategy.

As at 30 September 2021, FCT owns a 40.0% interest in the ownership and voting rights in a joint venture, Sapphire Star Trust ("**SST**"), a private trust that owns Waterway Point, a retail mall located in Punggol. FCT jointly controls the venture with other partners under a contractual agreement and requires unanimous consent for all major decisions over relevant activities.

After the portfolio re-constitution, FCT's portfolio as at 30 September 2021 comprises nine retail malls in Singapore: Causeway Point, Waterway Point[2], Tampines 1, Northpoint City North Wing (including Yishun 10 Retail Podium), Tiong Bahru Plaza, Century Square, Changi City Point, Hougang Mall, and White Sands (collectively, the "**Retail Portfolio**") and one office property, Central Plaza (together with the Retail Portfolio, the "**Portfolio**", and the properties comprising the Portfolio, the "**Properties**"). The Properties have a combined appraised value of S$6.03 billion[3] as at 30 September 2021.

As at 30 September 2021, FCT holds a 31.15%[4] of the units in Hektar Real Estate Investment Trust ("**Hektar REIT**"), a retail-focused REIT in Malaysia listed on the Main Board of Bursa Malaysia Securities Berhad. Hektar REIT's property portfolio comprises Subang Parade (Selangor), Mahkota Parade (Melaka), Wetex Parade (Johor), Central Square (Kedah), Kulim Central (Kedah) and Segamat Central (Johor).

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1 Based on a closing price of S$2.24 on the Latest Practicable Date.

2 As at 30 September 2021, FCT holds a 40.0% share in SST, a private trust that holds the interest in Waterway Point.

3 Includes FCT's 40.0% stake in Waterway Point as at 30 September 2021.

4 Prior to the issue of new units pursuant to a proposed private placement of up to 23,098,000 new units in Hektar REIT. The proposed private placement has not been completed as at the Latest Practicable Date.

The Property Funds Appendix provide that the total borrowings and deferred payments (together the "**Aggregate Leverage**") of a REIT should not exceed 50% of its Deposited Property prior to 1 January 2022 and on or after 1 January 2022, should not exceed 45% of its Deposited Property and the REIT's Aggregate Leverage may exceed this limit (up to a maximum of 50%) only if the REIT has a minimum adjusted interest coverage ratio[1] of 2.5 times after taking into account the interest payment obligations arising from the new borrowings. As at 30 September 2021, the Aggregate Leverage of FCT and its subsidiaries (collectively, the "**Group**") was at 33.3%[2] and the interest coverage ratio was 5.11 times[3].

COVID-19 PANDEMIC

Uncertainties from the COVID-19 pandemic have posed and may continue to pose risks to FCT's business and financial performance. The protracted COVID-19 situation and various phases of safe management measures have adversely affected the retail and F&B tenants' businesses and shopper traffic to FCT's retail properties. The resurgence of community COVID-19 cases and implementation of tightened safe management measures under the Phase 2 and Phase 3 (Heightened Alert) and Stabilisation Phase also affected FCT's performance and recovery. Retail businesses, shopper traffic and general sentiment will continue to be affected by the ongoing COVID-19 pandemic and safe management measures.

The FCT Manager observed that the suburban retail sector in Singapore had remained relatively resilient through the previous COVID-19 phases due to continuing demand for retail spaces within well-located and dominant suburban retail malls as the economy re-opens, stable suburban retail prime rent, and low future retail supply. The FCT Manager was able to refresh the tenant mix and achieve healthy portfolio occupancy.

To support tenants' sales during the COVID-19 pandemic, FCT, together with Frasers Property Retail, provided assistance schemes to help tenants onboard its omnichannel retail platforms, the Makan Master and the Frasers eStore, through waiver of onboarding fees and free delivery service for certain minimum orders. These schemes accelerated the adoption of omnichannel retail for tenants to take on additional sales through takeaways and delivery orders to offset the decline in walk-in and dine-in sales due to the restrictions from safe management measures.

The FCT Manager proactively monitors developments relating to the impact of the ongoing COVID-19 pandemic, responds through established crisis management and business continuity plans and complies with various disease prevention and containment measures. The FCT Manager will also continue to evaluate the impact of the safe management measures on the wellbeing of its employees and the ways it can play a part to support the national vaccination programme and distribution of essential items such as the care packs and masks.

For more details, please refer to the sub-heading "Novel Coronavirus 2019 ("COVID-19") Pandemic" under the risk factor titled "The outbreak of an infectious disease, widespread communicable diseases or the occurrence of any other serious public health concerns in Asia and elsewhere could adversely impact the business, financial condition, results of operations, performance and prospects of the Group".

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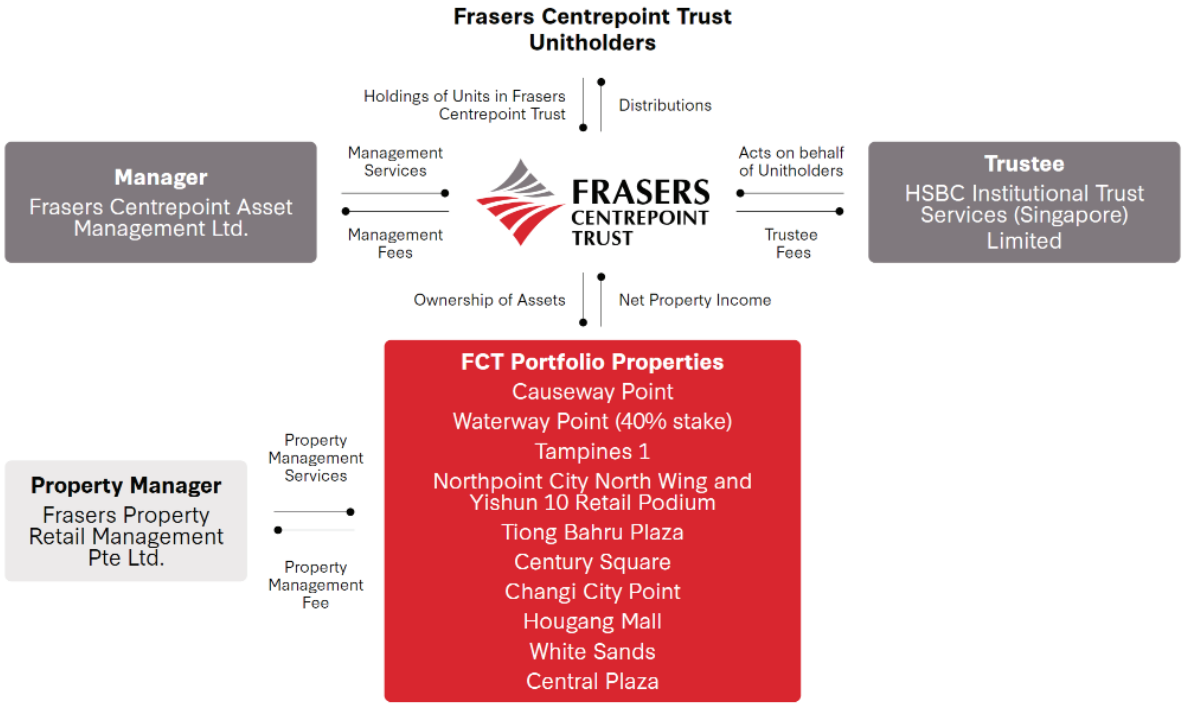
1 "**Adjusted interest coverage ratio**" means a ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities.

2 In accordance with the Property Funds Appendix, aggregate leverage ratio includes FCT's 40% proportionate share of deposited property value and borrowing in SST.

3 Calculated as earnings before interest and tax (EBIT) divided by interest expense for the financial year ended September 2021.

STRUCTURE OF FCT

The following diagram illustrates the relationship between FCT, the FCT Manager, the FCT Property Manager, the FCT Trustee and Unitholders as at the Latest Practicable Date.



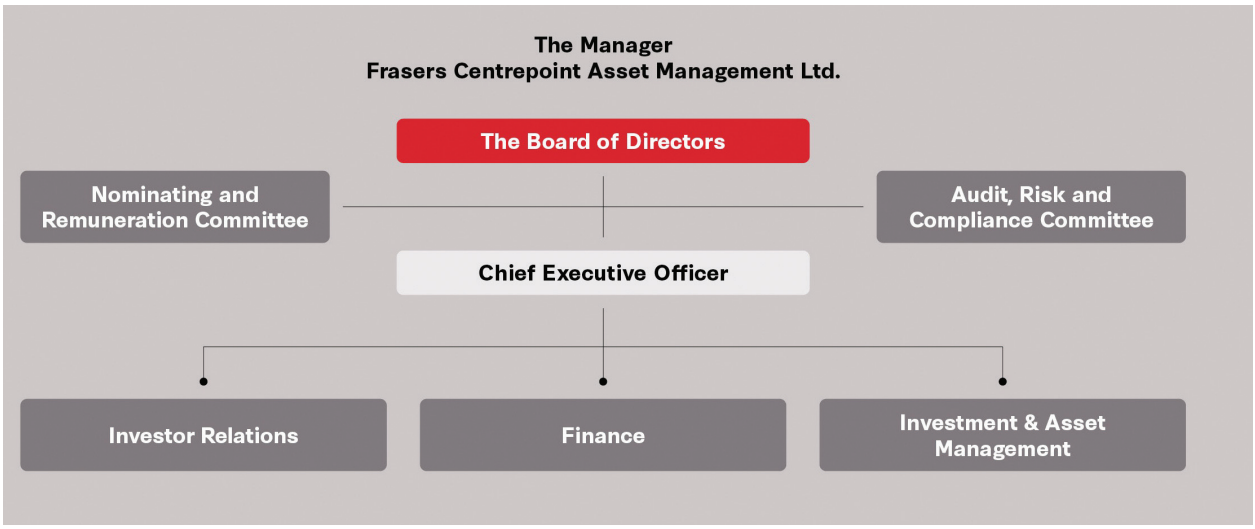
Note: The above diagram is simplified and excludes: (i) the holdings of special purpose vehicles and limited liability partnership entities in the Group, and (ii) FCT's unitholding in Hektar REIT, from which FCT derives distribution income net of Malaysia withholding tax.

The FCT Manager

The FCT Manager, Frasers Centrepoint Asset Management Ltd., was incorporated in Singapore under the Companies Act on 27 January 2006. As at the Latest Practicable Date, it has a paid-up capital of S$34 million, with a registered office at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The FCT Manager is a real estate asset and fund management unit of Frasers Property Limited (formerly known as Frasers Centrepoint Limited) ("**FPL**" or the "**Sponsor**"). The FCT Manager leverages the real estate expertise, global relationships and financial expertise of FPL and its subsidiaries (the "**FPL Group**") in its asset and property fund management activities.

The following diagram illustrates the corporate structure of the FCT Manager.



Roles and Responsibilities of the FCT Manager

The FCT Manager has general powers of management over the assets of FCT. The FCT Manager's main responsibility is to manage FCT's assets and liabilities for the benefit of Unitholders. It also supervises the property manager in its day-to-day management of FCT's properties pursuant to property management agreements entered into for each mall.

The FCT Manager will set the strategic direction of FCT. This includes making recommendations to the FCT Trustee on the acquisition, divestment or enhancement of assets of FCT.

The FCT Manager has covenanted in the FCT Trust Deed to use its best endeavours to ensure that the business of FCT is carried on and conducted in a proper and efficient manner and to conduct all transactions with or for FCT at arm's length.

Further, the FCT Manager will prepare asset plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and any relevant assumptions. The purpose of these plans is to facilitate the proactive management, review and monitoring of the performance of FCT's properties.

The FCT Manager will also be responsible for ensuring compliance with the applicable provisions of the SFA and all other relevant legislation, the Listing Manual of the SGX-ST (the "**Listing Manual**"), the CIS Code (including the Property Funds Appendix), the FCT Trust Deed, any tax rulings and all relevant contracts. The FCT Manager will be responsible for all regular communications with Unitholders.

The FCT Manager may require the FCT Trustee to borrow on behalf of FCT (upon such terms and conditions as the FCT Manager deems fit, including without limitation, by charging or mortgaging all or any part of the Deposited Property or by issuing debt securities) whenever the FCT Manager considers, among other things, that such borrowings are necessary or desirable in order to enable FCT to meet any liabilities or to finance the acquisition of any property. However, the FCT Manager must not direct the FCT Trustee to incur a borrowing if to do so would mean that FCT's total borrowings exceed the limit stipulated by MAS based on the value of the Deposited Property immediately prior to the time the borrowing is incurred.

In the absence of fraud, gross negligence, wilful default or breach of the FCT Trust Deed by the FCT Manager, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered to be done or omitted to be done by it in good faith under the FCT Trust Deed.

In addition, the FCT Manager shall be entitled, for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as FCT Manager, to have recourse to the Deposited Property or any part thereof, save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, gross negligence, wilful default or breach of the FCT Trust Deed by the FCT Manager. The FCT Manager may, in managing FCT and in carrying out and performing its duties and obligations under the FCT Trust Deed, with the written consent of the FCT Trustee, appoint such person to exercise any or all of its powers and discretions and to perform all or any of its obligations under the FCT Trust Deed, provided always that the FCT Manager shall be liable for all acts and omissions of such persons as if such acts and omissions were its own.

FCT, constituted as a trust, is externally managed by the FCT Manager and therefore has no personnel of its own. The FCT Manager appoints experienced and well-qualified management to handle its day-to-day operations. All directors and employees of the FCT Manager are remunerated by the FCT Manager and not by FCT.

Retirement or Removal of the FCT Manager

Frasers Centrepoint Asset Management Ltd. was appointed as the manager of FCT in accordance with the terms of the FCT Trust Deed. The FCT Manager shall have the power to retire in favour of a corporation approved by the FCT Trustee to act as the manager of FCT.

Also, the FCT Manager may be removed by notice given in writing by the FCT Trustee if:

- the FCT Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the FCT Trustee) or a receiver is appointed over any of its assets or a judicial manager is appointed in respect of the FCT Manager;

- the FCT Manager ceases to carry on business;

- the FCT Manager fails or neglects after reasonable notice from the FCT Trustee to carry out or satisfy any material obligation imposed on the FCT Manager by the FCT Trust Deed;

- the Unitholders, by a resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the FCT Trust Deed, shall so decide (without any Unitholder being disenfranchised);

- for good and sufficient reason, the FCT Trustee is of the opinion, and so states in writing, that a change of the FCT Manager is desirable in the interests of the Unitholders; or

- MAS directs the FCT Trustee to remove the FCT Manager.

Where the FCT Manager is removed on the basis that a change of the FCT Manager is desirable in the interests of the Unitholders, the FCT Manager has a right under the FCT Trust Deed to refer the matter to arbitration. Any decision made pursuant to such arbitration proceedings is binding upon the FCT Manager, the FCT Trustee and all Unitholders.

Board of Directors of the FCT Manager

The board of directors of the FCT Manager (the "**Board**") is responsible for the overall leadership and oversight of FCT and the FCT Manager's business, financial, investment and material operational affairs and performance objectives, and its long-term success. The Board sets the strategic direction of FCT and the FCT Manager, which includes appropriate focus on value creation, innovation and sustainability. The Board also determines the FCT Manager's approach to corporate governance, including setting appropriate tone-from-the-top and the desired organisational culture, values and ethical standards of conduct, and works with the management of FCT (the "**FCT Management**") on its implementation across all levels of the organisation's values, standards, policies and practices. The Board, supported by the FCT Management, ensures necessary resources are in place for FCT and the FCT Manager to meet its strategic objectives. Through the enterprise-wide risk management framework of the Group, the Board establishes and maintains a sound risk management framework to effectively monitor and manage risks and to achieve an appropriate balance between risks and the Group's performance. It also oversees the FCT Management to ensure transparency and accountability to key stakeholder groups.

Management of Business Risk

The Board meets regularly, at least once every quarter, and also as required by business needs or if its members deem it necessary or appropriate to do so. A calendar of activities is scheduled for the Board a year in advance, and the FCT Manager's Constitution provides for Board members who are unable to attend physical meetings to participate through telephone conference, video conference or similar communications equipment.

Senior members of the FCT Management attend Board meetings, and where necessary, Board Committee meetings, to brief and make presentations to the Directors, provide input and insight into matters being discussed, and respond to queries and take any follow-up instructions from the Board. At least once a year and if required, time is set aside after scheduled Board meetings for discussions amongst the Board without the presence of the FCT Management, in line with the Code of Corporate Governance 2018.

The Board has formed committees of the Board (the "**Board Committees**") to oversee specific areas, for greater efficiency, and has delegated authority and duties to such Board Committees based on written and clearly defined terms of reference. There are two Board Committees: namely, the Audit, Risk and Compliance Committee (the "**ARCC**") and the Nominating and Remuneration Committee (the "**NRC**"). Matters discussed by the Board and the Board Committees include business strategy, financial performance, significant business and operations matters and key activities of FCT and/or the FCT Manager. The Board also discusses feedback from the Board Committees.

Minutes of all Board Committee meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings, matters discussed and decisions made during such meetings, and to enable to the Directors to weigh in on any key points under consideration.

The key responsibilities of the ARCC includes:

- reviewing and reporting to the Board the scope, quality, results and performance of the external audit(s), its cost effectiveness and the independence and objectivity of the external auditors, and as well as the nature and extent of non-audit services performed by external auditors;

- establishing an effective internal audit function, which shall be adequately qualified to perform an effective role, adequately resourced, independent of the activities that it audits and able to discharge its duties objectively, and to approve the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;

- reviewing and reporting to the Board, the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of FCT and the FCT Manager and any announcements relating to FCT's and the FCT Manager's financial performance, and to review the assurance provided by the FCT Management that the financial records have been properly maintained and the financial statements give a true and fair view of FCT's and/or the FCT Manager's operations and finances;

- reviewing and reporting to the Board at least annually, its assessment of the adequacy and effectiveness of the FCT Manager's internal controls for FCT and the FCT Manager, including financial, operational, compliance and information technology controls (including those relating to compliance with existing legislation and regulations), and risk management policies and systems established by the FCT Management;

- reviewing interested person transactions (as defined in the SGX-ST Listing Manual) and interested party transactions (as defined in the Property Funds Appendix) (both such types of transactions constituting "**Related/Interested Person Transactions**") entered into from time to time and the internal audit reports to ensure compliance with applicable legislation, the SGX-ST Listing Manual and the Property Funds Appendix;

- deliberating on resolutions relating to conflicts of interest situations involving FCT;

- reviewing the policy and arrangements by which staff of the FCT Manager, FCT and any other persons may, in confidence, safely raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow-up action to be taken; and

- reviewing the findings of internal investigations into any suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the SGX-ST or any other regulatory authority in Singapore, which the ARCC becomes aware of, and which has or is likely to have a material impact on FCT's operating results or financial position.

The FCT Manager's Internal Control System

As part of the FCT Manager's internal controls, the Board has adopted a framework of delegated authorisations in its Manual of Authorities. This sets out the levels of authorisation required for particular types of transactions to be carried out, and specifies whether Board approval needs to be sought. It also sets out approval limits for operating and capital expenditure as well as investments, divestments and asset enhancement initiatives.

While day-to-day operations of the business are delegated to the FCT Management, in order to facilitate the Board's exercise of its leadership and oversight of FCT, the Manual of Authorities sets out certain matters specifically reserved for approval by the Board. These include approval of annual budgets, financial plans, material transactions, namely, major acquisitions and divestments, funding and investment proposals and asset enhancement initiatives.

The Board is kept continually and regularly updated on FCT's business and the regulatory and industry-specific environments in which the entities of the Group operate. The FCT Manager sees to it that the Board is regularly updated on new developments in laws and regulations or changes in regulatory requirements and financial reporting standards which are relevant to or may affect the FCT Manager or FCT and such updates may be in writing, by way of briefings held by the FCT Manager's lawyers and external auditors or disseminated by way of presentations and/or handouts. To ensure the Board members have the opportunities to develop their skills and knowledge and to continually improve the performance of the Board, Board members are encouraged to undergo continual professional development during the term of their appointments, and are provided with opportunities to develop and maintain their skills and knowledge at the FCT Manager's expense. The Board members are also encouraged to be members of the Singapore Institute of Directors ("**SID**") and to receive updates and training from SID to stay abreast of relevant developments in financial, legal and regulatory requirements, and relevant business trends.

The FCT Property Manager

The FCT Property Manager, Frasers Property Retail Management Pte. Ltd. ("**FPRM**"), was incorporated in Singapore under the Companies Act on 6 October 2017. FPRM provides property management services to FCT's Portfolio. FPRM is a wholly-owned indirect subsidiary of the Sponsor.

The services that are provided by the FCT Property Manager for each property under its management include the following:

- property management services, including:

  (a) establishing (for the approval of the FCT Trustee, following the recommendation of the FCT Manager) operating budgets and annual plans for the operation, maintenance management and marketing of the property;

  (b) operating and maintaining the property in accordance with such operating budgets and annual plans;

  (c) co-ordinating, reviewing and maintaining at all times certain insurance coverage with the assistance of insurance advisers; and

  (d) maintaining books of accounts and records in respect of the operation of the property;

- lease management services, including:

  (a) recommending leasing strategy and negotiating leases, licences and concessions;

  (b) supervising and controlling all collections and receipts, payments and expenditure relating to the property; and

  (c) lease administration;

- property tax services, including the submission of property tax objections to IRAS on the proposed annual value of a property; and

- marketing and marketing co-ordination services including planning and co-ordinating marketing and promotional programmes.

The FCT Trustee

The trustee of FCT is HSBC Institutional Trust Services (Singapore) Limited ("**HSBCIT**"). HSBCIT is a company incorporated in Singapore and registered as a trust company under the Trust Companies Act, Chapter 336 of Singapore. It is approved to act as a trustee for authorised collective investment schemes under the SFA. As at the Latest Practicable Date, HSBCIT has a paid-up capital of S$5,150,000. HSBCIT's registered address is 10 Marina Boulevard, #48-01 Marina Bay Financial Centre Tower 2, Singapore 018983. HSBCIT is independent of the FCT Manager.

HSBCIT is an indirect wholly-owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. HSBCIT is engaged in a wide range of trust services. It acts as trustee for numerous unit trust schemes as well as corporate and private trusts in Singapore, and also undertakes corporate administration as part of its services.

Powers, Duties and Obligations of the FCT Trustee

The FCT Trustee's powers, duties and obligations are set out in the FCT Trust Deed. The powers and duties of the FCT Trustee include:

- acting as trustee of FCT and, in such capacity, safeguarding the rights and interests of the Unitholders;

- holding the assets of FCT on trust for the benefit of the Unitholders in accordance with the FCT Trust Deed; and

- exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of FCT.

The FCT Trustee has covenanted in the FCT Trust Deed that it will exercise all due care, diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unitholders.

In the exercise of its powers, the FCT Trustee may (on the recommendation of the FCT Manager and subject to the provisions of the FCT Trust Deed) acquire or dispose of any property, borrow and encumber any asset, give any indemnity and provide any guarantee.

The FCT Trustee may, subject to the provisions of the FCT Trust Deed, appoint and engage:

- a person or entity for the purposes of exercising any of its powers and performing its obligations; and

- any real estate agents or managers, including a related party of the FCT Manager, in relation to the management, development, leasing, purchase or sale of any of the real estate assets and real estate-related assets.

Subject to the FCT Trust Deed and the Property Funds Appendix, the FCT Manager may direct the FCT Trustee to borrow or raise money or obtain other financial accommodation for the purposes of FCT, both on a secured and unsecured basis.

The FCT Trustee must carry out its functions and duties and comply with all the obligations imposed on it and set out in the FCT Trust Deed, the Listing Manual, the SFA and the relevant regulations thereunder, the CIS Code (including the Property Funds Appendix), any tax rulings and all other relevant laws, regulations and guidelines. It must retain FCT's assets, or cause FCT's assets to be retained, in safe custody, and cause FCT's accounts to be audited. It can appoint valuers to value the real estate assets and real estate-related assets of FCT.

Any liability incurred and any indemnity to be given by the FCT Trustee shall be limited to the assets of FCT over which the FCT Trustee has recourse, provided that the FCT Trustee has acted without fraud, gross negligence, wilful default and breach of the FCT Trust Deed. The FCT Trust Deed contains certain indemnities in favour of the FCT Trustee under which it will be indemnified out of the assets of FCT for liability arising in connection with certain acts or omissions. These indemnities are subject to any applicable laws.

Retirement and Replacement of the FCT Trustee

The FCT Trustee may retire or be replaced under the following circumstances:

- The FCT Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee (such appointment to be made in accordance with the provisions of the FCT Trust Deed).

- The FCT Trustee may be removed by notice in writing to the FCT Trustee by the FCT Manager:

  (a) if the FCT Trustee goes into liquidation (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the FCT Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the FCT Trustee;

  (b) if the FCT Trustee ceases to carry on business;

  (c) if the FCT Trustee fails or neglects after reasonable notice from the FCT Manager to carry out or satisfy any material obligation imposed on the FCT Trustee by the FCT Trust Deed;

  (d) if the FCT Trustee's own acts or omissions (1) cause its failure or inability to perform, or (2) prevent or restrict it from performing, any of its obligations under any agreement, contract or instrument to which it is a party as FCT Trustee, which materially prejudices the interests of Unitholders;

  (e) if the Unitholders by Extraordinary Resolution (as defined in the FCT Trust Deed) duly passed at a meeting of Unitholders held in accordance with the provisions of the FCT Trust Deed, and of which not less than 21 days' notice has been given to the FCT Trustee and the FCT Manager, shall so decide; or

  (f) if MAS directs that the FCT Trustee be removed.

GROWTH STRATEGIES

FCT aims to be a leading retail REIT that delivers regular and stable distributions to Unitholders ("**DPU**") and to achieve long-term growth in its net assets value, to provide Unitholders with competitive rate of returns through (a) acquisition growth, (b) asset enhancement growth and (c) organic growth.

Growth through acquisitions

Acquisitions from the Sponsor

As a developer-sponsored REIT, FCT can tap on FPL's (the "**Sponsor's**") pipeline assets and network in Singapore and overseas to identify and pursue growth opportunities via the acquisition of additional income-producing properties and properties that could be developed or redeveloped into income-producing properties. Prospects for acquisition include existing and future retail malls in the Sponsor's portfolio, as well as other opportunities arising from within Singapore and overseas.

After the Initial Portfolio was acquired by FCT from the Sponsor, FCT acquired Northpoint 2, YewTee Point, Bedok Point and Changi City Point[1] from the Sponsor. Bedok Point, Anchorpoint and YewTee Point were subsequently divested as part of FCT's portfolio re-constitution in FY2021.

[1] Changi City Point was acquired from Ascendas Frasers Pte. Ltd., a 50-50 joint venture between the Sponsor and Ascendas Development Pte. Ltd.

In October 2020, FCT completed the acquisition of the balance 63.11% interest in ARF from a wholly-owned subsidiary of the Sponsor. Consequently, five retail properties, namely: Tampines 1, Century Square, Tiong Bahru Plaza, White Sands and Hougang Mall, and one office property, Central Plaza, were added to the FCT property portfolio as a result of the completion of the ARF Acquisition.

Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 were previously held through certain property-holding companies, namely ARMF (TBP) Private Limited, ARMF (Central Plaza) Pte. Ltd., ARMF (Whitesands) Pte. Ltd., ARMF (Hougang Mall) Pte. Ltd. and ARMF II (Tampines) Pte. Ltd. (being the Singapore property-holding companies of Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 respectively) (the "**ARF Singapore PropCos**").

Immediately following the ARF Acquisition, FCT has converted the ARF Singapore PropCos to limited liability partnerships (the "**ARF Singapore Prop LLPs**") pursuant to Section 21 of the Limited Liability Partnerships Act, Chapter 163A of Singapore (the "**LLP Conversion**"). As a result of the LLP Conversion, the income generated from Tiong Bahru Plaza, Central Plaza, White Sands, Hougang Mall and Tampines 1 is no longer subject to corporate income tax at the ARF Singapore Prop LLPs level as a limited liability partnership is tax transparent for Singapore tax purposes.

Century Square's property holding company, Century Square Holding Pte Ltd, which was incorporated in Mauritius, has transferred its registration to Singapore and the FCT Manager is currently exploring how tax transparency can be achieved in respect of Century Square.

Acquisitions from Third Parties

In 2016, FCT acquired ten strata-titled retail units at Yishun 10 Cinema Complex from wholly-owned Singapore subsidiaries of Bonvests Holdings Limited, a company listed on the Main Board of the SGX-ST.

FCT acquired from third parties an initial 17.1% stake in ARF in April 2019, and progressively increased its shareholdings in ARF to approximately 36.89% as at 30 September 2020. Subsequently, FCT completed the acquisition of the remaining approximately 63.11% stake in ARF from a wholly-owned subsidiary of the Sponsor on 27 October 2020 and raised its stake in ARF to 100.0%. Consequently, five retail properties, namely: Tampines 1, Century Square, Tiong Bahru Plaza, White Sands and Hougang Mall, and one office property, Central Plaza, were added to the FCT property portfolio as a result of the completion of the ARF Acquisition.

As at 30 September 2021, FCT holds a 31.15%[1] stake in Hektar REIT. Hektar REIT, an associate of FCT, is a retail-focused REIT in Malaysia listed on the Main Board of Bursa Malaysia Securities Berhad. Hektar REIT's property portfolio consists of six shopping centres in the Northern, Central and Southern regions of Peninsular Malaysia, namely Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade and Segamat Central in Johor, and Central Square and Kulim Central in Kedah. Hektar REIT's portfolio is valued at approximately S$390 million[2] and has a total net lettable area of approximately 2.0 million square feet.

As at 30 September 2021, FCT holds a 40.0% stake in SST, a private trust that owns Waterway Point, a retail mall located in Punggol. FCT jointly controls the venture with other partners under a contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

The total appraised value of FCT's Properties is approximately S$6.03 billion[3] as at 30 September 2021.

Growth through asset enhancement

FCT regularly assesses its properties to identify improvement opportunities, and asset enhancement initiatives ("**AEIs**") are conducted in a timely manner to continuously upgrade its properties for optimum performance. This includes change of configuration or layout of FCT's properties to achieve better asset yield, sustainable income growth, and enhancement in capital value.

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1 Prior to the issue of new units pursuant to a proposed private placement of up to 23,098,000 new units in Hektar REIT. The proposed private placement has not been completed as at the Latest Practicable Date.

2 Based on a currency exchange rate of approximately S$1 to RM3.095 as at 30 September 2021. The combined value of Hektar REIT's properties is approximately RM1.2 billion as at 30 September 2021.

3 Includes FCT's 40.0% stake in Waterway Point as at 30 September 2021.

Organic growth through active lease management

The FCT Manager strives to sustain organic growth through healthy occupancy rate and active lease management for all its malls. This requires working closely with the FCT Property Manager on active lease management, which involves optimising tenant mix, leasing new units, lease renewals, monitoring tenants' sales performance, advertising and promotional events, increasing shopper traffic, and maintaining healthy rental reversions, among other activities.

COMPETITIVE STRENGTHS

Strong Sponsor

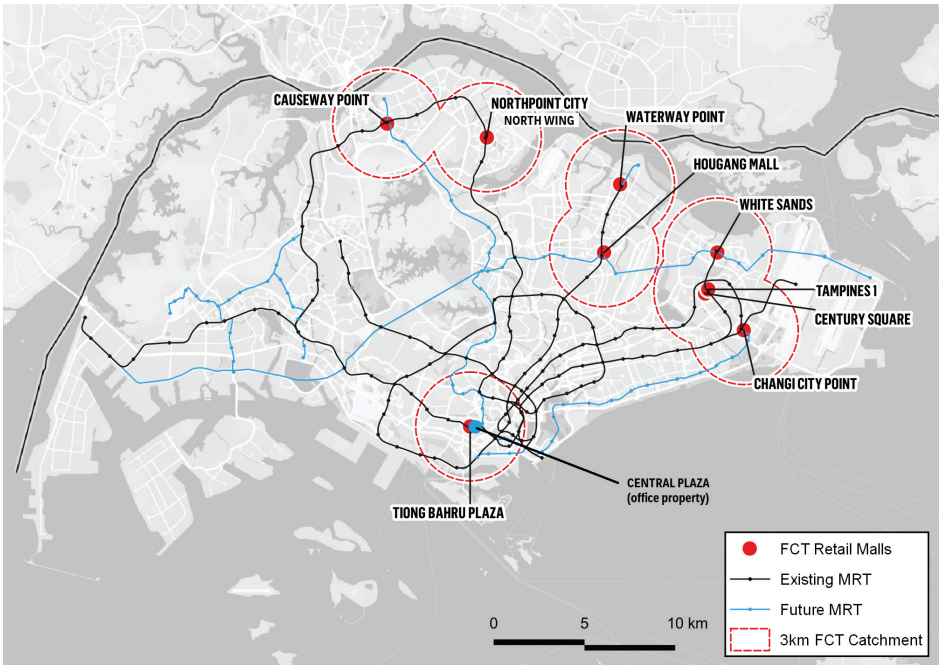
FCT's sponsor, FPL, is a multi-national developer-owner-operator of real estate products and services across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality, and is one of Singapore's largest owners and operators of retail malls. The FPL Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities and 20 countries across Asia, Australia, Europe, the Middle East and Africa. FCT can leverage on FPL's established track record, financial strength, scale of operations, integrated retail property management operations, overseas reach and strong network of relationships in the retail sector.

Quality Retail Portfolio

FCT's Retail Portfolio includes quality and dominant suburban malls with a large shopper catchment and good connectivity to public transport. All retail malls are well located above or adjacent to MRT stations or bus interchanges and enjoy a healthy committed occupancy rate of 97.3% as at 30 September 2021 and high recurring shopper traffic. The Retail Portfolio services a combined 2.6 million[1] catchment population.

FCT's Retail Portfolio is focused on essential services which comprises necessity trade sectors such as food and beverage ("F&B"), grocery and services patronised by shoppers regularly.

Location of Properties above or adjacent to MRT Stations/Bus Interchanges



Experienced Management Team

The FCT Manager comprises qualified professionals with extensive experience and a proven track record in REIT management including investment & asset management, property management, finance and compliance.

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[1] Aggregate catchment population within 3km of each property in the Portfolio. Population in overlapping areas are only counted once. Source: Cistri, 2021.

Efficient Capital and Risk Management

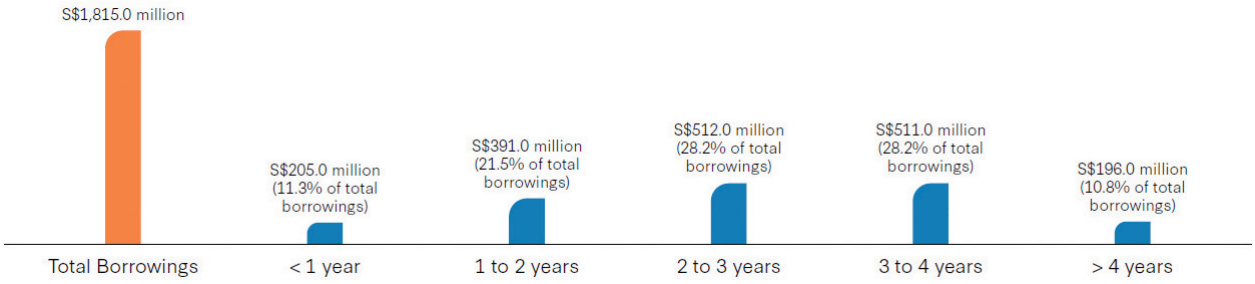
The FCT Manager adopts a prudent capital management strategy for FCT in line with the preference of long-term REIT investors. FCT's conservative debt structure provides earnings stability in a volatile interest rate environment. As at 30 September 2021, the aggregate leverage ratio of FCT was at 33.3%[1] and the average debt maturity was 2.47 years. The interest coverage ratio was 5.11 times[2] and the average all-in cost of borrowings was 2.2% for the year ended 30 September 2021.

Appropriate debt and equity financing policies are employed by the FCT Manager to optimise FCT's funding structure. The FCT Manager also monitors FCT's exposure to various risks by adhering to clearly established management policies and procedures.

The FCT Manager has proactively managed FCT's interest rate exposure. As at 30 September 2021, 56.2% of the total borrowings are hedged to a fixed interest rate. FCT has total borrowings of S$1,815.0 million, comprising S$954.0 million in secured bank borrowings, S$300.0 million in unsecured medium term notes and S$561.0 million in unsecured bank borrowings.

Debt Maturity Profile as at 30 September 2021

	Amount Due	As % of total borrowings
< 1 year	S$205.0 million	11.3%
1 to 2 years	S$391.0 million	21.5%
2 to 3 years	S$512.0 million	28.2%
3 to 4 years	S$511.0 million	28.2%
> 4 years	S$196.0 million	10.8%
Total Borrowings	**S$1,815.0 million**	**100.0%**



Focus on Sustainability

The FCT Manager intends to continue to focus on sustainability as a core of FCT's business strategy to support long-term unitholders' returns and value creation.

FCT attained 5-Star rating in the 2021 Global Real Estate Sustainability Benchmark ("**GRESB**") annual assessment, an improvement from 3-Star rating in past assessments in 2020 and 2019. The GRESB assesses and benchmarks the Environmental, Social and Governance ("**ESG**") performance of global funds, companies, and assets within the real estate sector. FCT's total score has also improved to 92 points out of 100, from 69 points in 2020.

FCT has also made improvement in the green certification of the retail properties in its Portfolio. Eight out of the nine Retail Properties, as well as Central Plaza, have achieved Building and Construction Authority ("**BCA**") Green Mark certification rating of Gold and above. The Green Mark certification of the properties are

- BCA Green Mark Platinum: Causeway Point, Tiong Bahru Plaza, White Sands, Century Square, Central Plaza
- BCA Green Mark Gold^{Plus}: Waterway Point, Tampines 1, Changi City Point
- BCA Green Mark Gold: Northpoint City North Wing

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[1] In accordance with the Property Funds Appendix, aggregate leverage ratio includes FCT's 40% proportionate share of deposited property value and borrowing in SST.

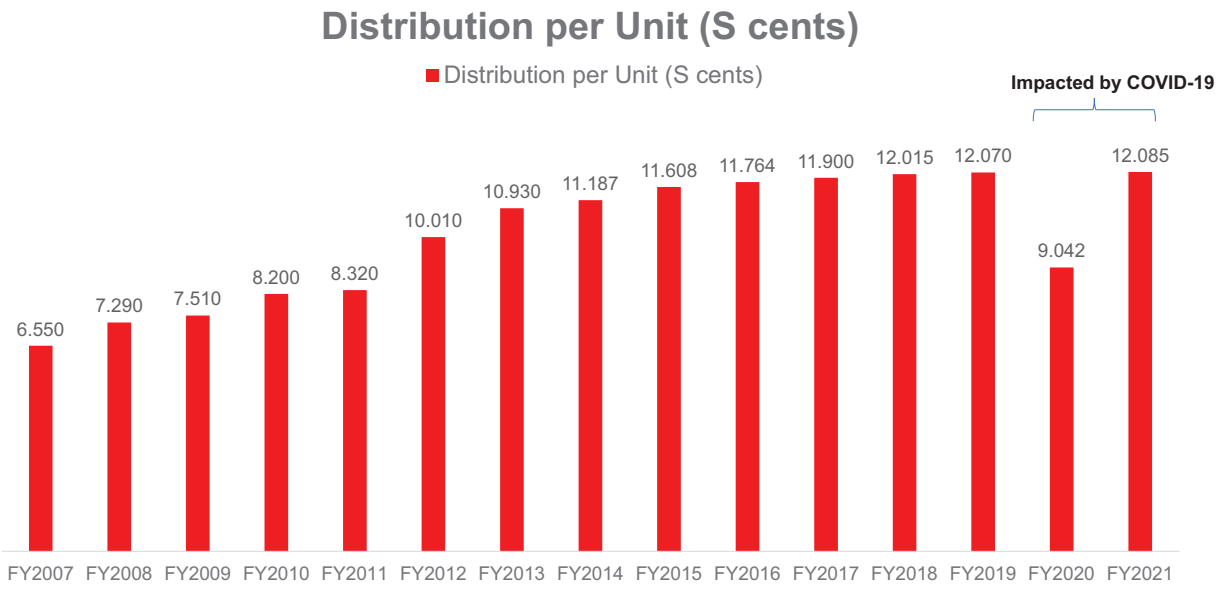
[2] Calculated as earnings before interest and tax (EBIT) divided by interest expense for the financial year ended September 2021.

FCT's progress and achievements in sustainability allow FCT to access additional sources of funding, such as green loans and sustainability-linked loans to enhance its financial flexibility and diversity of funding options. This is in line with one of FCT's sustainability goals which is to finance majority of its sustainable asset portfolios with green and sustainable financing by 2024.

Track Record of DPU Growth and Resilient Financial Performance

FCT's business objectives are to deliver regular and stable distributions to its unitholders and to achieve long term growth in its net asset value. FCT has an established track record of delivering growth in its Distribution per Unit ("**DPU**") from FY2007 to FY2019, during which it achieved higher DPU every year during this period. The DPU growth was supported by a combination of acquisitions of new assets which added new revenue and income, completion of major AEI projects which improved rental income and organic growth through improvement of occupancy and average rental rate of its properties. The stability of FCT's operation and financial performance underpinned its resilience through economic cycles.

This trend was disrupted by the COVID-19 pandemic in FY2020 and FY2021. The implementation of the various safe management measures, including the circuit breaker, to curb the spread of the COVID-19, brought adverse impact to retail businesses. FCT's financial performance in FY2020 and FY2021 was affected by mandatory provision of rental rebates for the eligible tenants in its portfolio, impact from softer business activities and shopper traffic to its properties, and various assistance schemes it provided for its tenants. These significantly affected the DPU performance in FY2020. With the stabilisation of the COVID-19 situation and the contribution from the enlarged portfolio with the completion of the ARF Acquisition, FCT's financial performance improved in FY2021 and its DPU recovered to higher than pre-COVID levels. This demonstrates the resilience of FCT's portfolio performance and its ability to quickly recover from a major setback. The chart below shows FCT's DPU from FY2007 to FY2021.



INFORMATION ON PROPERTIES

FCT's Portfolio as at 30 September 2021 comprises the following ten Properties and the key features of the properties as at 30 September 2021 are set out below:

Causeway Point

Causeway Point is the largest mall in Woodlands, one of Singapore's most populous residential estates. It is located next to the Woodlands Regional Bus Interchange and the Woodlands MRT station, which serves as an interchange station for the existing North-South line and the new Thomson-East Coast line.

The mall has more than 200 stores and food outlets spread over seven retail levels (including basement level), and offers shoppers a one-stop shopping and dining destination. Causeway Point is an award-winning mall for its user-friendliness, connectivity and safety aspects of its mall design and features.

Property Description	
Description	7 storeys of retail (including 1 basement) and 7 car park floors (B2, B3 and 2nd - 6th levels)
Address	1 Woodlands Square, Singapore 738099
Net Lettable Area	419,626 sq ft
Car Park Lots	725
Title	99-year leasehold with effect from 30 October 1995
Year Acquired by FCT	2006
Market Valuation[1]	S$1,312.0 million as at 30 September 2021

Note:

(1) Valuation done by Jones Lang LaSalle Property Consultants Pte. Ltd. as at 30 September 2021.

Waterway Point

Waterway Point is a four-storey suburban family and lifestyle shopping mall located at the heart of Singapore's first waterfront eco-town, Punggol. It enjoys direct connectivity to the public transportation system including the Punggol MRT and LRT stations and a temporary bus interchange. The mall is also served by major expressways, including Tampines Expressway (TPE) and Seletar Expressway (SLE), which provide vehicular accessibility to other parts of Singapore.

The mall offers a diverse range of shopping, dining and entertainment experiences, catering to shoppers' and diners' necessity and convenience shopping, as well as their leisure needs. Notable retailers and restaurants at the mall include Uniqlo, Daiso Japan, Din Tai Fung, Best Denki and a 24-hour NTUC FairPrice Finest supermarket. The mall also has a cineplex operated by Shaw Theatres that features 11 screens, including an IMAX theatre.

FCT holds a 40.0% share in SST, a private trust that holds the interest in Waterway Point.

Waterway Point was awarded the BCA Universal Design (UD) Gold^{Plus} and the BCA Green Mark Gold^{Plus} certifications.

Property Description	
Description	4-storey suburban family and lifestyle shopping mall (including 2 basement levels)
Address	83 Punggol Central, Singapore 828761
Net Lettable Area[1]	389,335 sq ft
Car Park Lots	622
Title	99-year leasehold title commencing 18 May 2011
Year Acquired by FCT	40.0% stake acquired in 2019
Market Valuation[2]	S$1,300.0 million[3] as at 30 September 2021

Notes:

(1) Includes the area of approximately 17,954 sq ft currently used as Community Sports Facilities Scheme ("**CSFS**") space.

(2) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

(3) Based on 100.0% interest.

Tampines 1

Tampines 1 is a five-storey retail mall with two basement levels located next to the Tampines MRT interchange and the Tampines Bus Interchange at the heart of Tampines, one of the most populous residential estates, and the Eastern regional centre of Singapore.

Tampines 1 offers shoppers and diners a wide selection of F&B, lifestyle, beauty and fashion brands including household names such as Cold Storage and Daiso. The mall draws its shoppers and diners from the populous residential catchment, commuter traffic and working population in the Tampines, Simei, Bedok and Pasir Ris regions.

Property Description	
Description	5 storeys with 2 basement levels
Address	10 Tampines Central 1, Tampines 1, Singapore 529536
Net Lettable Area	268,504 sq ft
Car Park Lots	203
Title	99-year leasehold with effect from 1 April 1990
Year Acquired by FCT	2020
Market Valuation[1]	S$762.0 million as at 30 September 2021

Note:

(1) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

Northpoint City North Wing and Yishun 10 Retail Podium

Northpoint City North Wing is seamlessly integrated with the Northpoint City South Wing (owned by FCT's sponsor, Frasers Property Limited and TCC Prosperity Limited) to form Northpoint City, with over 400 F&B and retailers spread over more than 500,000 square feet of space.

Northpoint City North Wing offers six retail levels of retail and services (including two basement levels). Key tenants at Northpoint City North Wing include Kopitiam food court, Cold Storage supermarket, OCBC Bank, United Overseas Bank, MayBank, McDonald's restaurant and Popular Bookstore. The mall enjoys high shopper traffic flow from the surrounding residential estate, schools and the commuters from Yishun Bus Interchange which is connected to the mall.

FCT also owns the ground floor retail of Yishun 10, a strata-titled retail development located next to Northpoint City North Wing.

Property Description – Northpoint City North Wing	
Description	6 storeys of retail (including 2 basement levels) and 3 levels of car park (B1 – B3)
Address	930 Yishun Avenue 2, Northpoint, Singapore 769098
Net Lettable Area[1]	229,870 sq ft
Car Park Lots	224
Title	99-year leasehold with effect from 1 April 1990
Year Acquired by FCT	2006 (Northpoint 1); 2010 (Northpoint 2)
Market Valuation[2]	S$771.5 million as at 30 September 2021

Property Description – Yishun 10 Retail Podium	
Description	10 retail units on the first storey in a cinema complex with basement car park
Address	51 Yishun Central 1, Yishun 10, Singapore 768794
Net Lettable Area[1]	10,344 sq ft
Title	99-year leasehold with effect from 1 April 1990
Year Acquired by FCT	2016
Market Valuation[2]	S$33.0 million as at 30 September 2021

Notes:

(1) Includes the area of approximately 31,753 sq ft currently used as CSFS space.

(2) Valuation done by Jones Lang LaSalle Property Consultants Pte. Ltd. as at 30 September 2021.

Tiong Bahru Plaza

Tiong Bahru Plaza is located in the Tiong Bahru estate with rich local heritage. The mall is near the city area and is easily accessible through public transport as it is directly connected to the Tiong Bahru MRT station on the East-West line and a public bus station which is served by many bus routes.

The mall offers a wide variety of retail, grocery, entertainment and F&B options for shoppers and diners. It draws its shoppers from the immediate residential catchment residing in the Tiong Bahru, Bukit Merah and Redhill estates, as well as the working and student population in the vicinity and the adjacent office building, Central Plaza. Key retailers and F&B establishments include Uniqlo, Challenger, Golden Village, Kopitiam and NTUC FairPrice Finest.

Tiong Bahru Plaza has undergone several asset enhancement and refurbishment works, with the last major refurbishment completed in December 2016.

Property Description	
Description	4-storey retail building with 3 basement levels
Address	302 Tiong Bahru Road, Tiong Bahru Plaza, Singapore 168732
Net Lettable Area	214,708 sq ft
Car Park Lots	Total of 338 car park lots shared between Tiong Bahru Plaza and Central Plaza
Title	99-year leasehold title with effect from 1 September 1991
Year Acquired by FCT	2020
Market Valuation[1]	S$654.0 million as at 30 September 2021

Note:

(1) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

Century Square

Century Square is a five-storey retail mall with three basement levels located in the heart of Tampines Central and is in close proximity to the Tampines MRT interchange and the Tampines Bus Interchange. The mall draws its shopper traffic from the populous residential catchment, commuter traffic and working population in the Tampines, Simei, Bedok and Pasir Ris regions.

The mall completed an extensive asset enhancement and refurbishment works in May 2018. The rejuvenated Century Square showcases curated offers and new-to-market concepts with exciting brands to complement the larger Tampines retail ecosystem. Shoppers can enjoy a wide array of family-friendly services and activity spaces such as larger nursing rooms, family car park lots, roof deck with communal spaces, 24-hour gym and at Level 4, the National Library Board's virtual library in a mall.

The key tenants at the mall include Filmgarde Cineplex, PRIME Food & Grocer, The Food Market, Hai Di Lao Hotpot and Gymmboxx.

Property Description	
Description	5 storeys with 3 basement levels
Address	2 Tampines Central 5, Century Square, Singapore 529509
Net Lettable Area[1]	211,283 sq ft
Car Park Lots	298
Title	99-year leasehold with effect from 1 September 1992
Year Acquired by FCT	2020
Market Valuation[2]	S$574.0 million as at 30 September 2021

Notes:

(1) Includes the area of approximately 8,547 sq ft currently used as CSFS space.

(2) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

Changi City Point

Changi City Point is located in Changi Business Park, directly connected to the Singapore Expo MRT station and near one of Singapore's largest convention and exhibition venues, the Singapore Expo. The mall offers a diverse shopping and dining experience especially for the working population in Changi Business Park, residents in nearby precincts such as Tampines, Bedok and Simei, and visitors to the Singapore Expo. Changi City Point features fashion and sports retailers including Uniqlo, Nike Factory Store, Timberland, Adidas, Asics Factory Outlet, New Balance, Puma Outlet, Liv Activ and many other outlet stores.

Shoppers can also do their grocery shopping at the NTUC Finest supermarket. The restaurants at the mall include Jollibee, Ichiban Sushi, Han's and the Kopitiam food court. Families can also enjoy the landscaped rooftop garden that features a wet and dry children's playground.

Property Description	
Description	3 storeys of retail (including 1 basement level)
Address	5 Changi Business Park Central 1, Changi City Point, Singapore 486038
Net Lettable Area[1]	208,399 sq ft
Car Park Lots[2]	627
Title	60-year leasehold with effect from 30 April 2009
Year Acquired by FCT	2014
Market Valuation[3]	S$325.0 million as at 30 September 2021

Notes:

(1) Includes area of approximately 3,391 sq ft currently used as CSFS space.

(2) The car park lots are shared between Changi City Point, Capri by Fraser and ONE@Changi City.

(3) Valuation done by Jones Lang LaSalle Property Consultants Pte. Ltd. as at 30 September 2021.

Hougang Mall

Hougang Mall is a five-storey retail mall with two basement levels, located near the Hougang MRT station and the Hougang Central Bus Interchange. The mall is popular with the residents and the communities of Hougang, Kovan and even Sengkang and Buangkok, which are residential estates further afield.

The mall offers a wide selection of daily necessities and essential services such as supermarket, food court, home furnishing retailers and clinics. Some notable brands and services in the mall include Harvey Norman, Popular Bookstore and the Cheng San Community Library.

Property Description	
Description	5 storeys with 2 basement levels
Address	90 Hougang Avenue 10, Hougang Mall, Singapore 538766
Net Lettable Area[1]	165,615 sq ft
Car Park Lots	152
Title	99-year leasehold with effect from 1 May 1994
Year Acquired by FCT	2020
Market Valuation[2]	S$432.0 million as at 30 September 2021

Notes:

(1) Includes area of approximately 15,767 sq ft currently used as CSFS space.

(2) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

White Sands

White Sands is located in Pasir Ris, a residential estate in the Eastern region of Singapore. Located within a growing residential catchment and next to the Pasir Ris MRT Station and the Pasir Ris Bus Interchange, White Sands fulfils the daily needs of its catchment residents. It is a convenient destination for their necessity shopping, essential services, lifestyle and entertainment needs. The mall is also a favourite stopover for National Servicemen en route to and from the Pulau Tekong military training camp. The key tenants at the mall include NTUC FairPrice, Cookhouse by Koufu, Popular Bookstore and McDonald's.

White Sands underwent a major asset enhancement and refurbishment works, which was completed in the first quarter of 2016. The enhancement to physical real estate and refreshing of the tenant mix strengthened the competitive positioning of the mall.

Property Description	
Description	5 storeys with 3 basement levels
Address	1 Pasir Ris Central Street 3, White Sands, Singapore 518457
Net Lettable Area[1]	150,375 sq ft
Car Park Lots	187
Title	99-year leasehold with effect from 1 May 1993
Year Acquired by FCT	2020
Market Valuation[2]	S$428.0 million as at 30 September 2021

Notes:

(1) Includes area of approximately 21,744 sq ft currently used as CSFS space.

(2) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

Central Plaza

Central Plaza is a 20-storey office building with a total net lettable space of approximately 173,000 sq ft. Central Plaza is the office component of a mixed development comprising the shopping mall, Tiong Bahru Plaza, and Central Plaza. Central Plaza is directly connected to Tiong Bahru Plaza and both share a common car park with 338 parking lots. Being near to the Central Business District, it offers an excellent location that is complemented by connections to the public transport system and the amenities of an adjacent shopping mall.

Property Description	
Description	20-storey office building with 3 basement levels
Address	298 Tiong Bahru Road, Central Plaza, Singapore 168730
Net Lettable Area	172,607 sq ft
Car Park Lots	Total of 338 car park lots shared between Tiong Bahru Plaza and Central Plaza
Title	99-year leasehold title with effect from 1 September 1991
Year Acquired by FCT	2020
Market Valuation[1]	S$215.0 million as at 30 September 2021

Note:

(1) Valuation done by Savills Valuation and Professional Services (S) Pte Ltd as at 30 September 2021.

Investment in Hektar REIT

As at 30 September 2021, FCT holds 31.15%[1] of the units in Hektar REIT. Hektar REIT, an associate of FCT, is a retail-focused REIT in Malaysia listed on the Main Board of Bursa Malaysia Securities Berhad.

Hektar REIT's property portfolio consists of six shopping centres in the Northern, Central and Southern regions of Peninsular Malaysia. These six shopping centres are Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade and Segamat Central in Johor, and Central Square and Kulim Central in Kedah.

As at 30 September 2021, the properties in Hektar REIT's portfolio have a total net lettable area of approximately 2.0 million square feet and a combined value of approximately S$390 million[2].

[1] Prior to the issue of new units pursuant to a proposed private placement of up to 23,098,000 new units in Hektar REIT. The proposed private placement has not been completed as at the Latest Practicable Date.

[2] Based on a currency exchange rate of approximately S$1 to RM3.095 as at 30 September 2021. The combined value of Hektar REIT's properties is approximately RM1.2 billion as at 30 September 2021.

KEY PORTFOLIO STATISTICS AND DETAILS

As at 30 September 2021, FCT's Portfolio consists of nine retail properties in Singapore: Causeway Point, Waterway Point[1], Tampines 1, Northpoint City North Wing (including Yishun 10 Retail Podium), Tiong Bahru Plaza, Century Square, Changi City Point, Hougang Mall, and White Sands, and one office property, Central Plaza. The competitive strengths of the Portfolio are:

- strategically located malls with high levels of connectivity;
- large immediate catchment and trade areas;
- strong brand recognition;
- high occupancy rates and tenant demand; and
- large and diversified tenant base.

Portfolio Summary Table

The table summarises the key statistics of FCT's Properties as at 30 September 2021:

	Committed Occupancy	Annual Shopper Traffic in FY2021 (million)	Number of Leases	FY2021 Gross Revenue[5] (S$ million)	FY2021 Net Property Income[5] (S$ million)
Causeway Point	98.6%	18.8	219	82.58	60.91
Waterway Point[1]	98.4%	15.2	213	28.26[2]	21.56[2]
Tampines 1	97.1%	14.4	169	41.46	29.80
Northpoint City North Wing[3]	100.0%	43.0[4]	180	50.84	37.74
Tiong Bahru Plaza	98.3%	11.6	150	36.27	27.08
Century Square	91.8%	10.2	136	30.95	24.36
Changi City Point	94.7%	6.4	134	22.39	13.43
Hougang Mall	97.8%	8.9	126	26.64	18.26
White Sands	95.4%	7.5	132	25.45	17.88
Central Plaza	91.8%	N.A.	21	10.90	7.55

Notes:

(1) FCT holds a 40.0% share in SST, a private trust that holds the interest in Waterway Point.

(2) FCT's 40.0% share of revenue and NPI in SST for FY2021.

(3) Includes Yishun 10 Retail Podium.

(4) Combined shopper traffic for Northpoint City North Wing and South Wing.

(5) Financial performance from the properties acquired pursuant to the completion of the ARF Acquisition (namely, Tampines 1, Century Square, Tiong Bahru Plaza, White Sands, Hougang Mall, and Central Plaza) was for the period from 28 October 2020 to 30 September 2021 only.

[1] FCT holds a 40.0% share in SST, a private trust that holds the interest in Waterway Point.

Lease Expiry Profile of FCT's Retail Portfolio

The table below illustrates the expiry profile of the committed leases of FCT's Retail Portfolio as at 30 September 2021:

Retail Portfolio Lease Expiry as at 30 September 2021

Lease expiry as at 30 September 2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027 and beyond	Total
Number of leases expiring	554	384	442	66	10	3	1,459
Leased area expiring (sq ft)	825,083	528,515	565,412	106,634	65,631	38,808	2,130,083
Expiries as % of total leased area	38.7%	24.8%	26.5%	5.0%	3.1%	1.8%	100.0%
Expiries as % of GRI	35.6%	26.6%	29.8%	4.9%	2.6%	0.6%	100.0%

Calculation based on committed leases as at 30 September 2021; vacant floor area and Community and Sports Facilities Scheme (CSFS) leases are excluded.

Trade Sector Analysis of FCT's Retail Portfolio

The table below presents a breakdown of trade classifications by net lettable area ("**NLA**") and gross rental income ("**GRI**") is presented as at 30 September 2021:

Trade Classifications ***(by order of decreasing % of Total GRI)***	**As % of total NLA**	**As % of total GRI**
Food & Beverage	29.1%	37.8%
Beauty & Healthcare	10.8%	14.6%
Fashion & Accessories	11.3%	12.1%
Sundry & Services	5.7%	8.5%
Supermarket & Grocers	8.2%	5.6%
Homeware & Furnishing	4.5%	3.0%
Information & Technology	2.6%	3.0%
Leisure & Entertainment	6.2%	2.7%
Books, Music, Arts & Craft, Hobbies	4.0%	2.7%
Electrical & Electronics	3.1%	2.4%
Jewellery & Watches	0.8%	2.2%
Education	3.5%	1.9%
Sports Apparel & Equipment	2.4%	1.8%
Department Store	2.7%	1.7%
Vacant	5.0%	0.0%
FCT Retail Portfolio	**100.0%**	**100.0%**

Note: Total may not add up due to rounding differences.

Lease Renewals and Rental Reversions

The average rental reversion for FCT's Retail Portfolio in FY2021 was relatively flat at -0.6%, based on the variance between the rent in the first year of the incoming lease and the rent in the final year of the outgoing lease, i.e. the "incoming versus outgoing" method. Based on the variance between the average rent of the incoming lease and the average rent of the outgoing lease, i.e. the "average-to-average" method, the rental reversion for the Retail Portfolio was +2.1%. The average-to-average method accounts for the step-up rents during the respective lease tenure, while the incoming versus outgoing method does not. Rental reversion in FY2021 was lower than in previous years, due to weaker retailer sentiment affected by COVID-19 disruptions.

Notwithstanding the impact of COVID-19, leasing demand remained resilient at dominant malls like Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium) and Waterway Point. White Sands, Tiong Bahru Plaza and Hougang Mall also registered positive rental reversions due to their prime locations in populous residential catchment areas with good connectivity to public transport. Changi City Point suffered sharper negative rental reversion due to weak shopper traffic and sales. Its catchment, which includes nearby residents, workers from Changi Business Park and visitors to Singapore Expo, was diluted by the safe management measures imposed by the Singapore government, such as working-from-home by default and the prohibition of large-scale exposition events.

The table below summarises the lease renewals and rental reversions for FCT's Properties in FY2021 (excluding newly created and reconfigured area):

Property	No. of Renewals and New Leases	NLA		FY2021 rental reversion	
		Area (sq ft)	as % of property	(Incoming versus outgoing)	(Average-to Average)
Causeway Point	54	46,743	11.1%	0.6%	3.5%
Northpoint City North Wing (including Yishun 10 Retail Podium)	67	64,649	28.1%	0.3%	3.2%
Changi City Point	44	58,712	28.6%	-9.8%	-4.4%
Waterway Point[1]	40	73,942	19.9%	1.3%	5.7%
Tampines 1	55	92,599	34.5%	-0.1%	2.3%
Tiong Bahru Plaza	35	33,547	15.6%	0.8%	2.7%
Century Square	76	77,044	38.0%	-2.8%	-0.7%
Hougang Mall	47	65,583	43.8%	0.2%	1.5%
White Sands	41	25,981	20.2%	2.5%	3.9%
FCT Retail Portfolio	**459**	**538,800**	**24.6%**	**-0.6%**	**2.1%**
Central Plaza	9	41,180	28.5%	1.9%	3.1%

Note:

(1) FCT holds a 40.0% share in SST, a private trust that holds the interest in Waterway Point.

Leases Contributing Gross Turnover Rents and Step-Up Rents

Approximately 93.2% of FCT's leases include step-up rent clauses that provide for annual rental increment of between 1% and 2% over the lease term. In addition, 90.4% of the occupied leases include Gross Turnover rent (the "**GTO**") clauses, which the tenants would pay between 0.5% and 1% of their sales as part of the gross rent under the lease agreements. The slight variances in the proportion with GTO and step-up rent clauses between FY2020 and FY2021 are mainly due to the inclusion of additional retail properties following the completion of the ARF Acquisition.

The table below provides information on the percentage of occupied leases with GTO and step-up clauses:

	FY2021	FY2020
With GTO clause	90.4%	92.2%
With step-up clause	93.2%	89.9%

Top Ten Tenants of FCT's Portfolio

The top ten tenants collectively accounted for 19.5% of the total gross rental income of FCT's Portfolio as at 30 September 2021. FCT's largest tenant, NTUC, the operator of NTUC Fairprice supermarkets and Unity Pharmacy in FCT's malls, accounted for 3.3% of the gross rental income of FCT's Portfolio.

The table below sets out information on the top ten tenants of FCT's Portfolio by NLA and GRI as at 30 September 2021:

No.	Tenants	As % of total NLA	As % of total GRI
1.	NTUC[1]	4.3%	3.3%
2.	Dairy Farm Group[2]	3.0%	2.8%
3.	Kopitiam Group[3]	3.1%	2.7%
4.	Breadtalk Group[4]	1.8%	2.3%
5.	Metro (Private) Limited[5]	2.6%	1.7%
6.	Hanbaobao Pte. Ltd.[6]	0.9%	1.6%
7.	Courts (Singapore) Pte. Ltd.	1.5%	1.4%
8.	Overseas-Chinese Banking Corporation Ltd.	0.7%	1.3%
9.	Yum![7]	0.9%	1.3%
10.	United Overseas Bank Limited	0.6%	1.2%
	TOTAL	**19.5%**	**19.5%**

Notes:

(1) Includes NTUC FairPrice, FairPrice Finest and Unity Pharmacy.

(2) Includes Cold Storage supermarkets, Guardian Pharmacy and 7-Eleven.

(3) Operator of Kopitiam food courts, includes Kopitiam, Bagus, Mei Shi Mei Ke and Food Tempo.

(4) Includes Food Republic, Breadtalk, Toast Box, The Foodmarket and Din Tai Fung.

(5) Includes Metro Department Store and Clinique Service Centre.

(6) Operator of McDonald's restaurants.

(7) Operator of KFC and Pizza Hut outlets.

OTHER INFORMATION RELATING TO FCT

Insurance

FCT has in place insurance for the Properties that the FCT Manager believes is adequate in relation to the Properties and consistent with industry practice and all relevant laws and regulations in Singapore. The insurance coverage for all the Properties includes property damage and business interruption, including loss of rent and/or consequential losses arising from such business interruption and terrorism.

Legal Proceedings

Neither FCT nor the FCT Manager is currently involved in any material litigation nor, to the best of the FCT Manager's knowledge, is there any material litigation currently contemplated or threatened against FCT or the FCT Manager.

DIRECTORS AND MANAGEMENT

Board of Directors of the FCT Manager

The following table sets out information regarding the directors of the FCT Manager[(1)]:

Name	Position
Dr Cheong Choong Kong	Chairman, Non-Executive and Independent Director
Mr Ho Chai Seng	Non-Executive and Independent Director
Mr Ho Chee Hwee Simon	Non-Executive and Non-Independent Director
Ms Koh Choon Fah	Non-Executive and Independent Director
Mr Low Chee Wah	Non-Executive and Non-Independent Director

(1) Mr Christopher Tang Kok Kai was a Non-Executive and Non-Independent Director of the FCT Manager until his retirement with effect from 1 January 2022.

Experience and Expertise of the Board of Directors of the FCT Manager

Dr Cheong Choong Kong is the Chairman, Non-Executive and Independent Director of the FCT Manager. He also serves as a member of the Audit, Risk and Compliance Committee and the Nominating and Remuneration Committee. He was first appointed to the Board on 18 May 2016. Dr Cheong is also presently a Director on the Board of National Council of Social Services and the Chairman of NUS Mind Science Centre Advisory Board. Dr Cheong was formerly the Chairman of Oversea-Chinese Banking Corporation Limited, the Chairman of Singapore Broadcasting Corporation, the Chairman of NUS Council and the Deputy Chairman and CEO of Singapore Airlines Limited. Dr Cheong holds a PhD, a Master of Science degree and a Doctor of Science (Honorary) degree from Australian National University and a Bachelor of Science degree from Adelaide University. He also holds a Degree of Doctor of the University (Honorary) from Adelaide University.

Mr Ho Chai Seng is a Non-Executive and Independent Director of the FCT Manager. He also serves as the Chairman of the Nominating and Remuneration Committee and as a member of the Audit, Risk and Compliance Committee. He was first appointed to the Board on 30 June 2017. He was previously a director of Frasers Property (UK) Limited and is currently the Executive Director and Country Manager of United Overseas Bank Ltd., Tokyo Branch. Mr Ho's past major appointments include Vice President of BHF-Bank New York, Assistant General Manager of BHF-Bank Singapore, General Manager of DBS Bank London, General Manager of United Overseas Bank Ltd. London and Executive Director of United Overseas Bank Ltd. Singapore. Mr Ho holds a Bachelor of Commerce degree from University of Windsor, Canada and is a member of the Singapore Institute of Directors and of the International Bankers Association of Japan.

Mr Ho Chee Hwee Simon is a Non-Executive and Non-Independent Director of the FCT Manager. He also serves as a member of the Audit, Risk and Compliance Committee and the Nominating and Remuneration Committee. He was first appointed to the Board on 9 February 2017. He is currently a director of Allgreen Properties Limited, ALPS Pte. Ltd. (formerly known as Agency for Healthcare Supply Chain Pte. Ltd.), Frasers Hospitality International Pte. Ltd., MOH Holdings Pte. Ltd. (as representative of ALPS Pte. Ltd.) and Frasers Property (Singapore) Pte. Ltd. He was previously the Deputy CEO of CapitaLand Mall Asia Limited (formerly known as CapitaMalls Asia Limited) and CEO of the Manager of CapitaLand Mall Trust (formerly known as CapitaMall Trust). Mr Ho holds a Bachelor of Science (Estate Management) (Honours) and a Masters of Real Estate from National University of Singapore.

Ms Koh Choon Fah is a Non-Executive and Independent Director of the FCT Manager. She also serves as the Chairman of the Audit, Risk and Compliance Committee and a member of the Nominating and Remuneration Committee. She was first appointed to the Board on 1 October 2019. She is presently a director of Edmund Tie Holdings Pte. Ltd. and New Horizon Holdings Pte. Ltd. Ms Koh is also currently an Executive Committee Member and the Chairman of Nominations Committee of the Urban Land Institute Singapore Council, Singapore, a Management Board Member of the National University of Singapore

Institute of Real Estate and Urban Studies, Singapore and a Council Member and Vice-Chairman of the Professional Development Committee, Council for Estate Agencies, Singapore. Her past major appointments include CEO of Edmund Tie & Company (SEA) Pte. Limited, COO of Edmund Tie & Company (SEA) Pte. Limited and Chairperson of Urban Land Institute Singapore Council, Singapore. Ms Koh holds a Bachelor of Science (Estate Management) (Honours) from National University of Singapore, a Masters of Art (Business Administration) from University of Georgia (Athens), United States of America. She is a Registered Salesperson of the Council for Estate Agencies, a Fellow of the Royal Institute of Chartered Surveyors, a Fellow of the Singapore Institute of Surveyors & Valuers and a Licensed Valuer of Inland Revenue Authority of Singapore.

Mr Low Chee Wah is a Non-Executive and Non-Independent Director of the FCT Manager. Mr Low has over 12 years of experience in property investments and has held various senior appointments within the Frasers Property Limited Group ("**FPL Group**"). He was first appointed to the Board on 3 January 2020. He is presently the Chief Executive Officer of Frasers Property Retail, Frasers Property (Singapore) Pte. Ltd., the Chairman of the Audit, Risk and Governance Committee of Dover Park Hospice, the Vice President of the Real Estate Investment Trust Association of Singapore and a Board Member of Singapore River One Limited. Mr Low joined the FPL Group (formerly known as Frasers Centrepoint Limited) in March 2007 where he was responsible for the management of the investment property portfolio for the office and industrial property assets. He was the CEO of the Manager of Frasers Commercial Trust between August 2008 and December 2016. He was also previously the Senior Executive VP, Head of Retail and Commercial Division of Frasers Property Limited. Prior to joining the FPL Group, Mr Low held senior positions in a number of financial institutions, including BNP Paribas Peregrine (Singapore) Ltd, Schroders and Standard Chartered Merchant Bank, where he has extensive experience in investments, divestments, capital raisings and takeovers across a number of markets in Asia. Mr Low holds both a Bachelor of Economics and a Bachelor of Laws, from Monash University, Australia. He is also a fellow of CPA Australia and Chartered Accountants of Singapore.

Corporate Governance of the FCT Manager

The FCT Manager has an Audit, Risk and Compliance Committee (ARCC) and a Nominating and Remuneration Committee (NRC).

Audit, Risk and Compliance Committee

As at 30 September 2021, all the members of the ARCC are non-executive and the majority, including the chairman of the ARCC, are independent. As at 30 September 2021, the members of the ARCC are Ms Koh Choon Fah (Chairman), Dr Cheong Choong Kong, Mr Ho Chai Seng and Mr Ho Chee Hwee Simon.

The members of the ARCC, including the chairman of the ARCC, are appropriately qualified and have recent and/or relevant accounting and related financial management expertise or experience. Their collective wealth of experience and expertise enables them to discharge their responsibilities competently.

In carrying out its role, the ARCC is empowered to investigate any matter within its Terms of Reference, with full access to, and cooperation by, the management team of the FCT Manager ("**Management**") to seek information it may require from any Director and/or employee of the FCT Manager. The ARCC also has full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The Chairman, non-executive Directors, the CEO, the CFO, the head of the internal audit function, representatives of the external auditor(s), or other person with relevant experience and expertise may attend the meetings of the ARCC at the invitation of the ARCC. The meetings serve as a forum to review and discuss material risks and exposures of the FCT Manager's businesses and strategies to mitigate risks. The ARCC meets with internal auditors and external auditors without the presence of Management at least once a year to review various audit matters, including reviewing the audit plans, and evaluating the internal accounting controls, the audit reports and the assistance given by Management to the internal and external auditors. In carrying out its function, the ARCC may also obtain independent or external legal or other professional advice or appoint external consultants as it considers necessary at the FCT Manager's cost.

The ARCC shall review the framework and processes established by Management to achieve compliance with applicable laws, regulations, standards, best practice guidelines and the FCT Manager's policies and procedures. The ARCC shall assist the Board in ensuring that Management maintains a sound system of risk management and internal controls to safeguard the interests of the FCT Manager or the interests of Unitholders (as the case may be) and the assets of the FCT Manager and the assets of FCT. The ARCC also assists the Board in its determination of the nature and extent of the significant risks that the Board is willing to take to achieve the FCT Manager's strategic objectives and the overall levels of risk tolerance and risk policies.

Nominating and Remuneration Committee

As at 30 September 2021, all the members of the NRC are non-executive and the majority, including the chairman of the NRC, are independent. As at 30 September 2021, the members of the NRC are Mr Ho Chai Seng (Chairman), Dr Cheong Choong Kong, Mr Ho Chee Hwee Simon, Ms Koh Choon Fah and Mr Christopher Tang Kok Kai[1].

The NRC is guided by written Terms of Reference approved by the Board, which set out the duties and responsibilities of the NRC. The NRC's responsibilities, in relation to its functions as a nominating committee, include reviewing the structure, size and composition, and independence of the Board and its Board Committees, reviewing and making recommendations to the Board on the succession plans for Directors, the Chairman and key management personnel, making recommendations to the Board on all Board appointments and re-appointments, and determining the independence of Directors. The NRC also proposes for the Board's approval, the objective performance criteria and process for the evaluation of the effectiveness of the Board, the Board Committees and individual Directors, and ensures that proper disclosures of such process are made. The NRC is also responsible for making recommendations to the Board on training and professional development programmes for the Board and the Directors.

Related/Interested Person Transactions

The FCT Manager has established internal processes such that the Board, with the assistance of the ARCC, is required to be satisfied that all Related/Interested Person Transactions are undertaken on normal commercial terms, and are not prejudicial to the interests of FCT and the Unitholders. This may entail obtaining (where practicable) quotations from parties unrelated to the FCT Manager, or obtaining one or more valuations from independent professional valuers (in accordance with the Property Funds Appendix). Directors who are interested in any proposed Related/Interested Person Transaction to be entered into by FCT are required to abstain from any deliberations or decisions in relation to that Related/Interested Person Transaction.

All Related/Interested Person Transactions are entered in a register maintained by the FCT Manager. The FCT Manager incorporates into its internal audit plan a review of the Related/Interested Person Transactions recorded in the register to ascertain that internal procedures and requirements of the SGX-ST Listing Manual and Property Funds Appendix have been complied with. The ARCC reviews the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related/Interested Person Transactions have been complied with. The review includes the examination of the nature of the Related/Interested Person Transactions and its supporting documents or such other data deemed necessary by the ARCC. In addition, the FCT Trustee also has the right to review any such relevant internal audit reports to ascertain that the Property Funds Appendix has been complied with.

Any Related/Interested Person Transaction proposed to be entered into between FCT and an interested person would require the FCT Trustee to satisfy itself that such Related/Interested Person Transaction is conducted on normal commercial terms, is not prejudicial to the interests of FCT and its Unitholders, and is in accordance with all applicable requirements of the CIS Code and the SGX-ST Listing Manual.

[1] Mr Christopher Tang Kok Kai has retired as a Director and as a member of the NRC with effect from 1 January 2022.

Executive Officers of the FCT Manager

The following table sets out the executive officers of the FCT Manager:

Name	Position
Trust Management	
Mr Richard Ng	Chief Executive Officer
Ms Audrey Tan	Chief Financial Officer
Ms Pauline Lim	Head, Investment and Asset Management
Mr Chen Fung Leng	Vice President, Investor Relations

Experience and Expertise of the Executive Officers of the FCT Manager

Information on the working experience of the executive officers of the FCT Manager is set out below.

Mr Richard Ng
Chief Executive Officer

Richard is responsible for the overall business direction, investment strategies and operations of FCT. He leads the management team of the FCT Manager to ensure that FCT's finance, investment, asset management, investor relations and other plans and initiatives are executed successfully. Richard has 29 years of experience in the Singapore and regional property markets, spanning the areas of marketing, investment, and asset and REIT management. Prior to joining Frasers Property, he was Executive Director, Asset Management, at PGIM (Singapore) Pte. Ltd., where he oversaw the asset management of a portfolio comprising retail and commercial properties in Singapore and Malaysia. Richard has held senior management appointments during his 14 years at the CapitaLand Group, including ten years at CapitaLand Mall Trust (CMT) where he was part of the team that oversaw the initial public offering of CMT in 2002. At CMT, Richard was the Head of Asset Management, responsible for overall performance of CMT's assets.

Richard holds a Bachelor of Science (Honours) degree in Estate Management and a Master of Science degree in Real Estate, both from the National University of Singapore.

Ms Audrey Tan
Chief Financial Officer

Audrey is responsible for the financial, taxation, treasury and compliance functions of FCT. She has over 20 years of financial experience in locally-listed and multinational companies. Prior to joining the FCT Manager, Audrey was Head of Finance (Frasers Property Retail) at Frasers Property Limited. Prior to joining, Frasers Property Limited, she held various positions at CapitaLand Limited (including its subsidiaries) for more than 10 years. Audrey holds a Bachelor's degree of Business (Accountancy) from RMIT and is a Certified Practising Accountant with CPA Australia.

Ms Pauline Lim
Head, Investment & Asset Management

Pauline is responsible for the management of FCT's portfolio of retail assets in Singapore. She has over 20 years of real estate experience. Prior to joining the FCT Manager, she was the Executive Director at PGIM Real Estate (PGIM) and was responsible for the portfolio management of PGIM Real Estate AsiaRetail Fund and another private equity co-investment, which together own several malls in Singapore and Malaysia. Before PGIM, Pauline was Vice-President, Investment Management of GIC Real Estate (GIC RE) where she was responsible for investment and asset management in the office, retail and residential sectors in various Asia-Pacific markets, and supported GIC RE senior management in global portfolio reporting, asset strategy and planning. Prior to GIC RE, she held various roles at DBS and Jones Lang LaSalle in Singapore and Hong Kong.

Pauline holds an MBA degree from the University of Western Australia and a Bachelor's degree in Business Administration from the National University of Singapore.

Mr Chen Fung Leng
Vice President, Investor Relations

Fung Leng is responsible for FCT's investor relations function. He has more than ten years of experience in the field of investor relations and he is responsible for forging relations and communication between FCT and its Unitholders, the investment community and the media. He also provides market intelligence and research to the management team. Fung Leng holds a Master of Science degree in Industrial and Systems Engineering and a Bachelor's degree in Mechanical Engineering (Honours), both from the National University of Singapore.

SUBSTANTIAL UNITHOLDERS

The table below presents a breakdown of substantial unitholders as at 29 November 2021:

	Direct Interest		Deemed Interest			
Substantial Unitholders	**Number of Units**	**%**	**Number of Units**	**%**	**Total Number of Units Held**	**%**
Frasers Property Retail Trust Holdings Pte. Ltd.	624,684,552	36.73%	–	–	624,684,552	36.73%
Frasers Property Limited[1]	–	–	699,622,029	41.13%	699,622,029	41.13%
Thai Beverage Public Company Limited[2]	–	–	699,622,029	41.13%	699,622,029	41.13%
International Beverage Holdings Limited[3]	–	–	699,622,029	41.13%	699,622,029	41.13%
InterBev Investment Limited[4]	–	–	699,622,029	41.13%	699,622,029	41.13%
Siriwana Co., Ltd.[5]	–	–	699,622,029	41.13%	699,622,029	41.13%
Maxtop Management Corp[6]	–	–	699,622,029	41.13%	699,622,029	41.13%
Risen Mark Enterprise Ltd.[7]	–	–	699,622,029	41.13%	699,622,029	41.13%
Golden Capital (Singapore) Limited[8]	–	–	699,622,029	41.13%	699,622,029	41.13%
MM Group Limited[9]	–	–	699,622,029	41.13%	699,622,029	41.13%
TCC Assets Limited[10]	–	–	699,622,029	41.13%	699,622,029	41.13%
Charoen Sirivadhanabhakdi[11]	–	–	699,622,029	41.13%	699,622,029	41.13%
Khunying Wanna Sirivadhanabhakdi[12]	–	–	699,622,029	41.13%	699,622,029	41.13%

Notes:

(1) FPL holds a 100% direct interest in each of the FCT Manager and Frasers Property Retail Trust Holdings Pte. Ltd. ("**FPRTH**"); and the FCT Manager and FPRTH hold units in FCT. FPL therefore has a deemed interest in the units in FCT in which each of the FCT Manager and FPRTH has an interest, by virtue of Section 4 of the SFA.

(2) Thai Beverage Public Company Limited ("**ThaiBev**") holds a 100% direct interest in International Beverage Holdings Limited ("**IBHL**");

- IBHL holds a 100% direct interest in InterBev Investment Limited ("**IBIL**");
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

ThaiBev therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(3) IBHL holds a 100% direct interest in IBIL;

- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

IBHL therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(4) IBIL holds a greater than 20% interest in FPL;

- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

IBIL therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(5) Siriwana Co., Ltd. ("**SCL**") holds a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

SCL therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(6) Maxtop Management Corp. ("**MMC**") together with Risen Mark Enterprise Ltd. ("**RM**") and Golden Capital (Singapore) Limited ("**GC**") collectively hold a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

MMC therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(7) RM together with MMC and GC collectively hold a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

RM therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(8) GC together with MMC and RM collectively hold a greater than 20% interest in ThaiBev;

- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

GC therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(9) MM Group Limited ("**MM Group**") holds a 100% direct interest in each of MMC, RM and GC;

- MMC, RM and GC collectively hold a greater than 20% interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL;
- IBHL holds a 100% direct interest in IBIL;
- IBIL holds a greater than 20% interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

MM Group therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(10) TCC Assets Limited ("**TCCA**") holds a majority interest in FPL;

- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

TCCA therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(11) Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

Charoen Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

(12) Khunying Wanna Sirivadhanabhakdi and her spouse, Charoen Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in FPL;
- FPL holds a 100% direct interest in each of the FCT Manager and FPRTH; and
- the FCT Manager and FPRTH hold units in FCT.

Khunying Wanna Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which FPL has an interest, by virtue of Section 4 of the SFA.

TAXATION

Singapore taxation

The statements made below are general in nature and are based on current tax laws in Singapore and administrative guidelines and circulars issued by the relevant authorities in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the Singapore tax authorities or the courts may later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentives(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Holders and prospective holders of the Securities are advised to consult their own professional tax advisers as to the tax consequences of the acquisition, ownership or disposal of the Securities, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuers, the Guarantor, any of the Arrangers or the Dealers nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the acquisition, ownership or disposal of the Securities.

In addition, the disclosure below is on the assumption that the Comptroller of Income Tax regards each tranche of the Perpetual Securities as "debt securities" for the purposes of the ITA and that distribution payments made under each tranche of the Perpetual Securities will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the "qualifying debt securities" scheme are satisfied. If any tranche of the Perpetual Securities is not regarded as "debt securities" for the purposes of the ITA or any distribution payment under any tranche of the Perpetual Securities is not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions under the "qualifying debt securities" scheme, the tax treatment to holders may differ. Investors and holders of any tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any tranche of the Perpetual Securities.

1 Taxation relating to payments on Securities

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing corporate tax rate, currently 17.0 per cent.. As for non-resident individuals, the current applicable rate is 22.0 per cent.. However, if the payment is derived by a person not resident in Singapore and such payment is (aa) not derived from any trade, business, profession or vocation carried on or exercised by such person in Singapore and (bb) not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent.. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

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

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

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

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

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

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

"**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

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

In addition, as the Programme as a whole is arranged by DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited, each of which is a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) or a Financial Sector Incentive (Capital Market) Company, any tranche of the Securities issued during the period from the date of this Offering Circular to 31 December 2023 (the "**Relevant Securities**") would, pursuant to the ITA and the Income Tax (Qualifying Debt Securities) Regulations (the "**QDS Regulations**"), be "qualifying debt securities" for the purposes of the ITA, to which the following treatment shall apply:

(a) subject to certain prescribed conditions having been fulfilled (including the furnishing to the MAS by the relevant Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant Securities within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require and the inclusion by the relevant Issuer in all offering documents relating to the Relevant Securities of a statement to the effect that where interest, discount income, prepayment

fee, redemption premium or break cost from the Relevant Securities 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 Relevant Securities using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Specified Income**") from the Relevant Securities, derived by a holder who is not resident in Singapore and (aa) who does not have any permanent establishment in Singapore or (bb) who carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Securities are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore income tax;

(b) subject to certain conditions having been fulfilled (including the furnishing to the MAS by the relevant Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant Securities within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require), Specified Income from the Relevant Securities derived by any company or body of persons (as defined in the ITA), other than any non-resident who qualifies for the tax exemption as described in paragraph (a) above, is subject to income tax at a concessionary rate of 10.0 per cent. (except for holders who have been granted the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

(i) the relevant Issuer including in all offering documents relating to the Relevant Securities 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 Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and

(ii) the relevant Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for the Relevant Securities within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require,

Specified Income derived from the Relevant Securities is not subject to withholding of tax by the relevant Issuer.

However, notwithstanding the foregoing:

(a) if during the primary launch of any tranche of the Relevant Securities, the Relevant Securities are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the relevant Issuer or the FCT Manager, such Relevant Securities would not qualify as "qualifying debt securities"; and

(b) even though a particular tranche of the Relevant Securities is "qualifying debt securities", if, at any time during the tenure of such tranche of the Relevant Securities, 50.0 per cent. or more of such Relevant Securities which is outstanding at any time during the life of its issue is beneficially held or funded, directly or indirectly, by related parties of the relevant Issuer or the FCT Manager, Specified Income derived from such Relevant Securities held by:

(i) any related party of the relevant Issuer or the FCT Manager; or

(ii) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the relevant Issuer or the FCT Manager,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

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

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) is derived from the Relevant Securities by any person who is not tax resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for "qualifying debt securities" should not apply if such person acquires the Relevant Securities with funds of such person's operations through a permanent establishment in Singapore.

Notwithstanding that the relevant Issuer is permitted to make payments of Specified Income in respect of the Relevant Securities without deduction or withholding of tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

2 Taxation relating to payments on Perpetual Securities

Singapore tax classification of hybrid instruments

The ITA currently does not contain specific provisions on how financial instruments that exhibit both debt-like and equity-like features, i.e. hybrid instruments, should be treated for income tax purposes. However, the IRAS has published the e-Tax Guide: Income Tax Treatment of Hybrid Instruments (Second Edition) on 21 October 2019 (the "**Hybrid Instruments e-Tax Guide**") which sets out the income tax treatment of hybrid instruments, including the factors that the IRAS will generally use to determine whether such instruments are debt or equity instruments for income tax purposes.

Among others, the IRAS has stated in the Hybrid Instruments e-Tax Guide that:

(a) whether or not a hybrid instrument will be treated as debt or equity security for income tax purposes will firstly depend on its legal form, to be determined based on an examination of the legal rights and obligations attached to the instrument;

(b) a hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer. If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors, not limited to the following, would have to be examined to ascertain the nature of the instrument for income tax purposes.

These factors include (but are not limited to):

(i) nature of interest acquired;

(ii) investor's right to participate in the issuer's business;

(iii) voting rights conferred by the instrument;

(iv) obligation to repay the principal amount;

(v) payout;

(vi) investor's right to enforce payment;

(vii) classification by other regulatory authority; and

(viii) ranking for repayment in the event of liquidation or dissolution;

(c) if a hybrid instrument is characterised as a debt instrument for income tax purposes, distributions from the issuer to the investors are regarded as interest; and

(d) if a hybrid instrument issued by a company or a REIT (as defined in the ITA) is characterised as an equity instrument for income tax purposes, distributions from the issuer to the investors are generally regarded as either dividends or distributions.

Application for tax ruling

The relevant Issuer may apply to the IRAS for an advance tax ruling to confirm the classification of any tranche of the Perpetual Securities for Singapore income tax purposes and the Singapore tax treatment of the payment of the Distributions.

If such an application is made, the FCT Manager will provide details of the tax ruling issued by the IRAS via an announcement on its website www.fraserspropert y.com/reits/fct shortly after the receipt of the tax ruling.

3 Capital gains

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

There are no specific laws or regulations which deal with the characterisation of capital gains. The characterisation of the gains arising from a sale of the Securities will depend on the individual facts and circumstances relating to that sale of the Securities.

Holders of the Securities who are adopting or have adopted Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement ("**FRS 39**"), Singapore Financial Reporting Standard 109 – Financial Instruments ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 – Financial Instruments ("**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 Securities, 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 treatment for Singapore income tax purposes".

4 Adoption of FRS 39, FRS 109 or SFRS(I) 9 treatment for Singapore income tax purposes

Subject to certain "opt-out" provisions, Section 34A of the ITA requires taxpayers who adopt or are required to adopt FRS 39 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 39, subject to certain exceptions provided in that section. The IRAS has also issued an e-Tax Guide entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement" to provide guidance on the Singapore income tax treatment of financial instruments

FRS109 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 adopt or who are required to adopt 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 Securities who may be subject to the tax treatment under the FRS 39 tax regime, FRS 109 tax regime or the SFRS(I) 9 tax regime should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

5 Estate Duty

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

FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The relevant Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Securities (as described under "Terms and Conditions of the Notes – Further Issues" or "Terms and Conditions of the Perpetual Securities – Further Issues") that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

CLEARANCE AND SETTLEMENT

Bearer Securities

Each Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. Each Issuer may also apply to have Bearer Securities accepted for clearance through CDP. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or with CDP. Transfers of interests in a Temporary Global Security or a Permanent Global Security will be made in accordance with the normal market debt securities operating procedures of CDP, Euroclear and Clearstream, Luxembourg. Each Global Security will have an International Securities Identification Number ("**ISIN**") and a Common Code. Investors in Securities of such Series may hold their interests in a Global Security through Euroclear or Clearstream, Luxembourg or CDP, as the case may be.

Registered Securities

Each Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Global Certificate. Each Issuer may also apply to have Securities represented by a Global Certificate accepted for clearance through CDP. Each Global Certificate will have an ISIN and a Common Code. Investors in Securities of such Series may hold their interests in a Global Certificate only through Euroclear or Clearstream, Luxembourg or CDP, as the case may be.

Individual Certificates

Registration of title to Registered Securities in a name other than a depositary or its nominee for Euroclear and Clearstream, Luxembourg or CDP will be permitted only in the circumstances set forth in "Summary of Provisions Relating to the Securities while in Global Form – Exchange". In such circumstances, the relevant Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholder(s). A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

Clearance and Settlement

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg and CDP (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers and the Guarantor believe to be reliable, but none of the Issuers, the Guarantor, FCT, the Arrangers, the Trustee, any Agent nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuers nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The Clearing Systems

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the Securities held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any paying agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant Clearing System's rules and procedures.

CDP

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a Global Security or Global Certificate for persons holding the Securities in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Securities between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

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

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

Although CDP has established procedures to facilitate transfer of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Guarantor, the Issuing and Paying Agent or any other Agents will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in a dealer agreement dated 8 February 2017 (the "**Dealer Agreement**") between FCT MTN, the FCT Trustee, the Arrangers and the Permanent Dealers, as supplemented by the Singapore Supplemental Dealer Agreement (as amended or supplemented as at the Issue Date) dated 8 February 2017 between the same parties, the Securities will be offered on a continuous basis by the Issuers to the Permanent Dealers. However, each Issuer has reserved the right to sell Securities directly on its own behalf to Dealers that are not Permanent Dealers. The Securities may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Securities may also be sold by the Issuers through the Dealers, acting as agents of the relevant Issuer. The Dealer Agreement also provides for Securities to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Securities subscribed by it. The relevant Issuer has agreed to reimburse the Arrangers for their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Securities on a syndicated basis will be stated in the relevant Subscription Agreement. Each Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third party commissions (including, without limitation, rebates to private banks as specified in the applicable Subscription Agreement).

Each Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Securities. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Securities in certain circumstances prior to payment for such Securities being made to the relevant Issuer.

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuers, the Guarantor and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuers, the Guarantor and/or their respective affiliates in the ordinary course of their business and receive fees for so acting.

In connection with each Tranche of Securities issued under the Programme, the Dealers or certain of their affiliates may purchase Securities and be allocated Securities for asset management and/or proprietary purposes but not with a view to distribution. Further, any of the Dealers or their respective affiliates may purchase Securities for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Securities and/or other securities of the Issuers, the Guarantor, FCT or their respective subsidiaries or affiliates at the same time as the offer and sale of each Tranche of Securities or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Securities to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Securities).

Selling Restrictions

United States

The Securities and the Guarantee have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Securities in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Pricing Supplement will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Securities (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all Securities of the Tranche of which such Securities are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Securities, an offer or sale of such Securities within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

European Economic Area and the United Kingdom

The following selling restrictions is applicable to issues of Perpetual Securities only:

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no offers or sales of the Perpetual Securities will be made in, or to any person domiciled in, or having their registered office located in, any member of the European Economic Area and in the United Kingdom.

The following selling restrictions is applicable to issues of Notes only:

(a) Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not engage in the offer or marketing of the Notes in any jurisdiction in which Directive 2011/61/EU (the "**AIFM Directive**"**)** has been implemented, save that they may, notwithstanding the foregoing but without prejudice to any other matter contained in this section, engage in the offer or marketing of the Notes in Germany, France, the Netherlands, the United Kingdom, Norway, Denmark, Finland, Italy, Spain, Belgium, Austria, Luxembourg, Portugal, Ireland and such further jurisdictions as agreed in writing between the relevant Issuer and the relevant Dealer prior to any such marketing or offer taking place (each such jurisdiction in which such marketing or offer is permitted pursuant to this paragraph being a "**Relevant AIFMD Jurisdiction**").

(b) For the avoidance of doubt, and notwithstanding the foregoing or the generality of the matters set out under "Subscription and Sale" of this Offering Circular, no Dealer has made any representation, undertaking or agreement that it has complied with the provisions of the AIFM Directive, as such directive is implemented into, and interpreted in accordance with, the laws of each Relevant AIFMD Jurisdiction.

Prohibition of Sales to EEA Retail Investors

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

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"); and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Pricing Supplement in respect of any Securities specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area each Dealer represents and agrees has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Securities to the public in that Member State:

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

(B) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(C) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(D) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

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

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

Prohibition of Sales to UK Retail Investors

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

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

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

(A) if the Pricing Supplement in relation to the Securities specify that an offer of those Securities may be made other than pursuant to section 86 of the FSMA (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Securities which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the relevant Issuer has consented in writing to its use for the purpose of that Public Offer;

(B) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(C) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(D) at any time in any other circumstances falling within section 86 of the FSMA,

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

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

Other Regulatory Restrictions

The following selling restrictions is applicable to issues of Notes only:

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

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring,

holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

In relation to each Tranche of Securities issued by the relevant Issuer, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities, except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (**SFO**), other than (a) to "professional investors" as defined in the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Securities pursuant to the Programme have not been and will not be circulated or distributed, nor the Securities offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

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

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

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

General

These selling restrictions may be modified by the agreement of the Issuers, the Guarantor and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Securities to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Offering Circular, any other offering material, or any Pricing Supplement therefore in all cases at its own expense.

FORM OF PRICING SUPPLEMENT IN RELATION TO NOTES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

[**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 (EU) 2016/97 (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

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

[**MiFID II product governance/target market** – [appropriate target market legend to be included]]

[**UK MiFIR product governance/target market** – [*appropriate target market legend to be included*]]

[Notification under Section 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the *SFA*) – *to insert notice if classification of the Notes is not "prescribed capital markets products", pursuant to Section 309B of the SFA or 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)*]

Pricing Supplement dated [●]

[**FCT MTN Pte. Ltd./HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)**]
Issue of [**Aggregate Principal Amount of Tranche**] [**Title of Notes**]
under the S$3,000,000,000 Multicurrency Debt Issuance Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the Offering Circular dated 3 January 2022 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the Offering Circular dated 3 January 2022. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated 3 January 2022 [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated 3 January 2022 and are attached hereto.]

[*The following language applies if the Notes are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.*

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

[*Insert the following language for an issue of AMTNs.*

The Notes will be constituted by a deed poll ("**Note (AMTN) Deed Poll**") dated 8 February 2017 executed by the Issuer and will be issued in certificated registered form by inscription on a register. The Notes are AMTNs for the purposes of the Offering Circular dated 3 January 2022 and the Conditions.

Notes will be offered in Australia only in the wholesale capital markets and on the basis that no disclosure to investors is required under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia.]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.*]

1.	(i)	Issuer:	[FCT MTN Pte. Ltd./HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]
	(ii)	Legal Entity Identifier (**LEI**) of the Issuer:	[25490035IUKX8YZRVV66 / 5493002RGQ266FKERZ83]
	[(iii)	Guarantor:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]
2.	(i)	Series Number:	[●]
	[(ii)	Tranche Number:	[●]
		(If fungible with an existing Series, details of that Series, including the date on which the Notes became fungible.)]	
3.		Currency or Currencies:	[●]
4.		Aggregate Principal Amount:	
	(i)	Series:	[●]
	(ii)	[Tranche:	[●]]

5.	(i)	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] *(in the case of fungible issues only, if applicable)*]
	(ii)	Net Proceeds:	[●]
6.	(i)	Denomination Amount:	[●][1]
	(ii)	Calculation Amount:	[●]
7.	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[*Specify*/Issue date/Not Applicable]
	(iii)	First Call Date:	[*Specify*/Not Applicable]
8.		Negative Pledge:	[Not Applicable/Condition 4(a) applies/Condition 4(b) applies]
9.		Maturity Date:	[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*][2]
10.		Interest Basis:	[[●] per cent. Fixed Rate [[*specify reference rate*] +/-[●] per cent. Floating Rate] [Variable Rate] [Hybrid] [Zero Coupon] [Other (specify)] (further particulars specified below)
11.		Redemption/Payment Basis:	[Redemption at par] [For Credit Linked Note - see schedule attached (full details of Credit Linked Notes to be inserted in a schedule)] [Other (*specify*)]
12.		Redemption Amount (including early redemption):	[Denomination Amount/ [others]] [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]
13.		Change of Interest or Redemption/ Payment Basis:	[*Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis*]
14.		Put/Call Options:	[Issuer's Redemption Option] [Securityholders' Redemption Option] [Redemption for Taxation Reasons] [(further particulars specified below)]
15.		Status of the Notes:	Senior
16.		Listing and admission to trading:	[[●] (*specify*)/None]
17.		Method of distribution:	[Syndicated/Non-syndicated]

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[1] If the Denomination Amount is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: "€100,000 plus integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]".

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

If the Notes are AMTNs insert the following: "Subject to the requirement that the amount payable by each person who subscribed for the Notes must be at least A$500,000 (disregarding monies lent by the Issuer or its associates)."

[2] Note that Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18.	Fixed Rate Note Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Interest Rate:	[●] per cent. per annum [payable [annually/semi-annually/ quarterly/monthly] in arrear]
	(ii)	Interest Payment Date(s):	[●] in each year [*adjusted in accordance with [specify Business Day Convention]/[not adjusted*]]
	(iii)	Fixed Coupon Amount[(s)]:	[●] per Calculation Amount[3]
	(iv)	Initial Broken Amount:	[●]
	(v)	Final Broken Amount:	[●]
	(vi)	Day Count Fraction:	[30/30E/360/Actual/Actual(ICMA/ISDA)/RBA Bond Basis/ other]
	(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/*give details*]
19.	Floating Rate Note Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
	(i)	Redemption Month	[●]
	(ii)	Specified Number of Months (Interest Period)	[●]
	(iii)	Specified Interest Payment Dates:	[●]
	(iv)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other *(give details)*]
	(vi)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[●]
	(vii)	Screen Rate Determination:	
		• Reference Rate:	[●] *(Either LIBOR, EURIBOR, HIBOR, SIBOR or SOR or other, although additional information is required if other)*

[3] For Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest HK$0.01, HK$0.005 for the case of Hong Kong Dollar denominated Fixed Rate Notes, being rounded upwards".

	• Interest Determination Date(s):	[●] (the day falling two Business Days in London for the Currency prior to the first day of such Interest Period if the Currency is not Sterling, euro or Hong Kong Dollars or first day of each Interest Period if the Currency is Sterling or Hong Kong Dollars or the day falling two TARGET Business Days prior to the first day of such Interest Period if the Currency is euro)
	• Relevant Screen Page:	[●] [(*In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)]
(viii)	ISDA Determination:	
	• Floating Rate Option:	[●]
	• Designated Maturity:	[●]
	• Reset Date:	[●]
	• ISDA Definitions:	2006 (if different to those set out in the Conditions, please specify)
(ix)	Benchmark:	[LIBOR, EURIBOR, HIBOR, SIBOR, Swap Rate or other benchmark]
(x)	Reference Banks:	[Specify three]
(xi)	Relevant Time:	[●]
(xii)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark - specify if not Singapore]
(xiii)	Margin(s):	[+/-][●] per cent. per annum
(xiv)	Minimum Rate of Interest:	[●] per cent. per annum
(xv)	Maximum Rate of Interest:	[●] per cent. per annum
(xvi)	Day Count Fraction:	[●]
(xvii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
20.	Variable Rate Note Provisions:	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Redemption Month:	[Month and year]
(ii)	Interest Determination Date:	[●] Business Days prior to the first day of each Interest Period

	(iii)	Day Count Fraction:	[●]
	(iv)	Specified Number of Months (Interest Period):	[●]
	(v)	Specified Interest Payment Dates:	[●]
	(vi)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (*give details*)]
	(vii)	Benchmark:	[LIBOR, Swap Rate or other benchmark]
	(viii)	Primary Source:	[Specify relevant screen page or "Reference Banks"]
	(ix)	Reference Banks:	[Specify three]
	(x)	Relevant Time:	[●]
	(xi)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark - specify if not Singapore]
	(xii)	Spread:	[+/-] [●] per cent. per annum
	(xiii)	Minimum Rate of Interest:	[●] per cent. per annum
	(xiv)	Maximum Rate of Interest:	[●] per cent. per annum
21.	Hybrid Note Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Fixed Rate Period:	[●]
	(ii)	Floating Rate Period:	[●]
	(iii)	Maturity Date:	[●]
	(iv)	Redemption Month:	[Month and year]
	(v)	Interest Determination Date:	[●] Business Days prior to the first day of each Interest Period
	(vi)	Day Count Fraction:	[●]
	(vii)	Interest Payment Date(s):	[●]
	(viii)	Initial Broken Amount:	[●]
	(ix)	Final Broken Amount:	[●]
	(x)	Interest Rate:	[●] per cent. per annum
	(xi)	Specified Number of Months (Interest Period):	[●]
	(xii)	Specified Interest Payment Dates:	[●]

(xiii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (*give details*)]
(xiv)	Benchmark:	[LIBOR, SWAP RATE or other benchmark]
(xv)	Primary Source:	[specify relevant screen page or "Reference Banks"]
(xvi)	Relevant Time:	[●]
(xvii)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark - specify if not Singapore]
(xviii)	Reference Banks:	[specify three]
(xix)	Spread:	[+/-] [●] per cent. per annum
(xx)	Minimum Rate of Interest:	[●] per cent. per annum
(xxi)	Maximum Rate of Interest:	[●] per cent. per annum
(xxii)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Hybrid Notes during the Floating Rate Period, if different from those set out in the Conditions:	[●]

22.	Zero Coupon Note Provisions:	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Amortisation Yield:	[●] per cent. per annum
(ii)	Any other formula/basis of determining amount payable:	[●]
(iii)	Day Count Fraction:	[●]
(iv)	Any amount payable under Condition 7(h) (Default interest on the Notes):	[●]

PROVISIONS RELATING TO REDEMPTION

23.	Issuer's Redemption Option Issuer's Redemption Option Period (Condition 6(b)):	[Applicable/Not Applicable] [Specify maximum and minimum number of days for notice period] [Specify Dates]
24.	Securityholders' Redemption Option Securityholders' Redemption Option Period (Condition 6(c)):	[Yes/No] [Specify maximum and minimum number of days for notice period] [Specify Dates]
25.	Redemption for Taxation Reasons (Condition 6(d)):	[Yes/No] [on [insert other dates of redemption not on interest payment dates]]

26.	Redemption Amount of each Note:	[●] per Calculation Amount
27.	Early Redemption Amount:	
	(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

28.	Form of Notes:	[Bearer Notes/Registered Notes] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] *(For this option to be available, such Notes shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof*) [Permanent Global Note/Global Certificate exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note/Global Certificate] (N.B. *The exchange upon notice/at any time options should not be expressed to be applicable if the Denomination Amount of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Denomination Amount construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.*) *If the Notes are AMTNs insert the following:* [The Notes are AMTNs as referred to in the Offering Circular and will be issued in registered certificated form, constituted by the Note (AMTN) Deed Poll and take the form of entries on a register to be maintained by the Australian Agent (as defined below). Copies of the Note (AMTN) Deed Poll are available from the Australian Agent at its principal office in Sydney.] [Definitive Notes]
29.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. If yes, *give details*]

30.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [annexed to this Pricing Supplement] apply]
31.	Consolidation provisions:	[Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply]
32.	Private Banking Rebate:	[Applicable/Not Applicable]
33.	Use of Proceeds:	[As per the Offering Circular/*give details*]
34.	Other terms or special conditions:	[Not Applicable/*give details*]

DISTRIBUTION

35.	(i)	If syndicated, names of Managers:	[Not Applicable/*give name*]
	(ii)	Stabilisation Manager (if any):	[Not Applicable/*give name*]
36.		If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
37.		U.S. selling restrictions:	[Reg. S Category 2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Notes are being offered and sold only in accordance with Regulation S.
38.		Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] *(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
39.		Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable] *(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
40.		Additional selling restrictions:	[Not Applicable/*give details*]

OPERATIONAL INFORMATION

41.	ISIN Code:	[●]
42.	Common Code:	[●]
43.	Any clearing system(s) other than Euroclear, Clearstream, Luxembourg, the Austraclear System or CDP and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
44.	Delivery:	Delivery [against/free of] payment

45.	Additional Paying Agent(s) (if any):	[*If the Notes are AMTNs, insert the following:* BTA Institutional Services Australia Limited (ABN 48 002 916 396) has been appointed under the Agency and Registry Services Agreement dated 8 February 2017 as issuing and paying agent and registrar ("**Australian Agent**") in respect of the Notes. The Australian Agent's address is Level 2, 1 Bligh Street, Sydney NSW 2000, Australia]

GENERAL

46.	Applicable governing document:	[Trust Deed dated 8 February 2017] [Singapore Supplemental Trust Deed dated 8 February 2017]
47.	The aggregate principal amount of Notes in the Currency issued has been translated into Singapore dollars at the rate specified, producing a sum of:	[Not applicable/Exchange rate of Currency: Singapore dollar/Singapore dollar equivalent: [●]]
48.	In the case of Registered Notes, specify the location of the office of the Registrar if other than [Luxembourg/Singapore]:	[●]
49.	In the case of Bearer Notes, specify the location of the office of the Issuing and Paying Agent if other than [London or Singapore]:	[●]
50.	Ratings:	The Notes to be issued are unrated.
51.	Governing Law:	[English law/Singapore law/The law of New South Wales, Australia]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Notes described herein pursuant to the S$3,000,000,000 Multicurrency Debt Issuance Programme of FCT MTN Pte. Ltd. and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust).

[**STABILISATION**

In connection with this issue, [insert name of Stabilisation Manager] (the "**Stabilisation Manager**") (or persons acting on behalf of any Stabilisation 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, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or overallotment must be conducted by the relevant Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.]

INVESTMENT CONSIDERATIONS

There are significant risks associated with the Notes including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Notes, the appropriate tools to analyse that investment, and the suitability of the investment in each investor's particular circumstances. No investor should purchase the Notes unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Notes.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

RESPONSIBILITY

[Each of the]/[The] Issuer [and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement.

[The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Pricing Supplement. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, [the Guarantor,] FCT, their respective subsidiaries, their respective associated companies (if any), the Programme or the Notes.]

Signed on behalf of [FCT MTN Pte. Ltd./HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]

By: _____
Duly authorised

[Signed on behalf of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust):

By: _____
Duly authorised

FORM OF PRICING SUPPLEMENT IN RELATION TO PERPETUAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Perpetual Securities 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 (EU) 2016/97 (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Perpetual Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Perpetual Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

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

[**MiFID II product governance/target market** – [appropriate target market legend to be included]]

[**UK MiFIR product governance/target market** – [*appropriate target market legend to be included*]]

[Notification under Section 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the *SFA*) – *to insert notice if classification of the Perpetual Securities is not "prescribed capital markets products", pursuant to Section 309B of the SFA or 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)*]

Pricing Supplement dated [●]

[FCT MTN Pte. Ltd./HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]
Issue of [Aggregate Principal Amount of Tranche] [Title of Perpetual Securities] under the S$3,000,000,000 Multicurrency Debt Issuance Programme

This document constitutes the Pricing Supplement relating to the issue of Perpetual Securities described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the "**Conditions**") set forth in the Offering Circular dated 3 January 2022 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with such Offering Circular [as so supplemented].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date*.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the "**Conditions**") set forth in the Offering Circular dated 3 January 2022. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with the Offering Circular dated 3 January 2022 [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated 3 January 2022 and are attached hereto.]

[*The following language applies if the Perpetual Securities are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore*.

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

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement*.]

1.	(i)	Issuer:	[FCT MTN Pte. Ltd./HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]
	(ii)	Legal Entity Identifier (**LEI**) of the Issuer:	[25490035IUKX8YZRVV66 / 5493002RGQ266FKERZ83]
	[(iii)	Guarantor:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]
2.	(i)	Series Number:	[●]
	[(ii)	Tranche Number:	[●]
		(If fungible with an existing Series, details of that Series, including the date on which the Perpetual Securities became fungible.)]	
3.	Currency or Currencies:		[●]
4.	Aggregate Principal Amount:		
	(i)	Series:	[●]
	(ii)	[Tranche:	[●]]
5.	(i)	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)]

	(ii)	Net Proceeds:	[●]
6.	(i)	Denomination Amount:	[●][4]
	(ii)	Calculation Amount:	[●]
7.	(i)	Issue Date:	[●]
	(ii)	Distribution Commencement Date:	[*Specify*/Issue date/Not Applicable]
	(iii)	First Call Date:	[*Specify*/Not Applicable]
8.		Maturity Date:	[*specify date or (for Floating Rate Perpetual Securities) Distribution Payment Date falling in or nearest to the relevant month and year*][5]
9.		Distribution Basis:	[[●] per cent. Fixed Rate *[[specify reference rate*] +/-[●] per cent. Floating Rate] (further particulars specified below)
10.		Redemption/Payment Basis:	[Redemption at par] [Other (specify)]
11.		Redemption Amount (including early redemption):	[Denomination Amount/ [others]] [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]
12.		Put/Call Options:	[Redemption at the Option of the Issuer] [Redemption for Taxation Reasons] [Redemption for Accounting Reasons] [Redemption for Tax Deductibility] [Redemption upon a Regulatory Event] [Redemption upon a Ratings Event] [Redemption in the case of Minimal Outstanding Amount] [Redemption upon a Change of Control] [(further particulars specified below)]
13.		Status of Perpetual Securities:	[Senior Perpetual Securities/Subordinated Perpetual Securities]
14.		Listing and admission to trading:	[[●] (*Specify*)/None]
15.		Method of distribution:	[Syndicated/Non-syndicated]

[4] If the Denomination Amount is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: "€100,000 plus integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Perpetual Securities in definitive form will be issued with a denomination above [€199,000]".

Perpetual Securities (including Perpetual Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

[5] Note that Hong Kong Dollar denominated Fixed Rate Perpetual Securities where the Distribution Payment Dates are subject to modification it will be necessary to use the second option.

PROVISIONS RELATING TO DISTRIBUTION PAYABLE

16.	Fixed Rate Perpetual Security Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Distribution Rate[(s)]:	[●] per cent. per annum [payable [annually/semi-annually/ quarterly/monthly] in arrear]
	(ii)	Distribution Payment Date(s):	[●] in each year *[adjusted in accordance with [specially Business Day Convention]*/[*not adjusted*]]
	(iii)	Initial Broken Amount:	[●]
	(iv)	Final Broken Amount:	[●]
	(v)	Day Count Fraction:	[30/30E/360/Actual/Actual(ICMA/ISDA)/other]
	(vi)	First Reset Date:	[●]
	(vii)	Reset Date:	[●]
	(viii)	Reset Distribution Rate:	[●]
	(ix)	Initial Spread:	[●]
	(x)	Reset Period:	[●]
	(xi)	Step-Up Margin:	[●]
	(xii)	Step-up Date:	[●]
	(xiii)	Relevant Rate:	[●]
	(xiv)	Change of Control Margin:	[●]
	(xv)	Other terms relating to the method of calculating distribution for Fixed Rate Perpetual Securities:	[Not Applicable/*give details*]
17.	Floating Rate Perpetual Security Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
	(i)	Specified Number of Months (Distribution Period):	[●]
	(ii)	Specified Distribution Payment Dates:	[●]
	(iii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(iv)	Manner in which the Distribution Rate(s) is/are to be determined:	[Screen Rate Determination/ISDA Determination/other (*give details*)]

(v)	Party responsible for calculating the Distribution Rate(s) and Amount(s) (if not the Calculation Agent):	[●]
(vi)	Distribution Determination Date:	[●] Business Days prior to the first day of each Distribution Period
(vii)	Screen Rate Determination:	
	● Reference Rate:	[●] (*Either LIBOR, EURIBOR, HIBOR, SIBOR or SOR or other, although additional information is required if other*)
	● Interest Determination Date(s):	[●] (the day falling two Business Days in London for the Currency prior to the first day of such Distribution Period if the Currency is not Sterling, euro or Hong Kong Dollars or first day of each Distribution Period if the Currency is Sterling or Hong Kong Dollars or the day falling two TARGET Business Days prior to the first day of such Distribution Period if the Currency is euro)
	● Relevant Screen Page:	[●] [(*In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)]
(viii)	ISDA Determination:	
	● Floating Rate Option:	[●]
	● Designated Maturity:	[●]
	● Reset Date:	[●]
	● ISDA Definitions:	2006 (if different to those set out in the Conditions, please specify)
(ix)	Benchmark:	[LIBOR, EURIBOR, HIBOR, SIBOR, Swap Rate or other benchmark]
(x)	Reference Banks:	[Specify three]
(xi)	Relevant Time:	[●]
(xii)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark - specify if not Singapore]
(xiii)	Margin(s):	[+/-][●] per cent. per annum
(xiv)	Minimum Distribution Rate:	[●] per cent. per annum
(xv)	Maximum Distribution Rate:	[●] per cent. per annum
(xvi)	Day Count Fraction:	[●]

(xvii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Perpetual Securities, if different from those set out in the Conditions:	[●]
(xviii)	Optional Payment:	[●]
(xix)	Optional Distribution:	[●]
(xx)	Dividend Stopper:	[●]
(xxi)	Dividend Pusher and Reference Period:	[●]
(xxii)	Non-cumulative Deferral:	[●]
(xxiii)	Cumulative Deferral:	[●]
(xxiv)	Additional Distribution:	[●]

PROVISIONS RELATING TO REDEMPTION

18.	Redemption at the Option of the Issuer Issuer's Redemption Option Period (Condition 5(b))	[Yes/No] [Specify maximum and minimum number of days for notice period]
19.	Redemption for Taxation Reasons Issuer's Redemption Option Period (Condition 5(c))	[Yes/No] [Specify maximum and minimum number of days for notice period]
20.	Redemption for Accounting Reasons Issuer's Redemption Option Period (Condition 5(d))	[Yes/No] [Specify maximum and minimum number of days for notice period]
21.	Redemption for Tax Deductibility Issuer's Redemption Option Period (Condition 5(e))	[Yes/No] [Specify maximum and minimum number of days for notice period]
22.	Redemption upon a Regulatory Event Issuer's Redemption Option Period (Condition 5(f))	[Yes/No] [Specify maximum and minimum number of days for notice period]
23.	Redemption upon a Ratings Event Issuer's Redemption Option Period (Condition 5(g))	[Yes/No] [Specify maximum and minimum number of days for notice period]
24.	Redemption in the case of Minimal Outstanding Amount Issuer's Redemption Option Period (Condition 5(h))	[Yes/No] [Specify maximum and minimum number of days for notice period]
25.	Redemption upon a Change of Control	[Yes/No]
	(i) Issuer's Redemption Option Period (Condition 5(i))	[Specify maximum and minimum number of days for notice period]

	(ii) Definition of Change of Control	[If yes, insert definition of Change of Control Event]
26.	Redemption Amount of each Perpetual Security:	[●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL SECURITIES

27.	Form of Perpetual Securities:	[Bearer Perpetual Securities/Registered Perpetual Securities] [Temporary Global Security exchangeable for a Permanent Global Perpetual Security which is exchangeable for Definitive Perpetual Securities in the limited circumstances specified in the Permanent Global Security] [Temporary Global Security exchangeable for Definitive Perpetual Securities on [●] days' notice] *(For this option to be available, such Perpetual Securities shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof)* [Permanent Global Security /Global Certificate exchangeable for Definitive Perpetual Securities in the limited circumstances specified in the permanent Global Security/Global Certificate] *(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Denomination Amount of the Perpetual Securities in paragraph 6 includes language substantially to the following effect: "€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Denomination Amount construction is not permitted in relation to any issue of Perpetual Securities which is to be represented on issue by a temporary Global Perpetual Security exchangeable for Definitive Perpetual Securities.)* [Definitive Perpetual Securities]
28.	Talons for future Coupons to be attached to Definitive Perpetual Securities (and dates on which such Talons mature):	[Yes/No. If yes, *give details*]
29.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [annexed to this Pricing Supplement] apply]
30.	Consolidation provisions:	[Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply]
31.	Private Banking Rebate:	[Applicable/Not Applicable]
32.	Use of Proceeds:	[As per the Offering Circular/*give details*]
33.	Other terms or special conditions:	[Not Applicable/*give details*]

DISTRIBUTION

34.	(i)	If syndicated, names of Managers:	[Not Applicable/*give name*]
	(ii)	Stabilisation Manager (if any):	[Not Applicable/*give name*]
35.		If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
36.		U.S. selling restrictions:	[Reg. S Category 2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Perpetual Securities are being offered and sold only in accordance with Regulation S.
37.		Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] *(If the Perpetual Securities clearly do not constitute "packaged" products or the Perpetual Securities do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Perpetual Securities may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
38.		Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable] *(If the Perpetual Securities clearly do not constitute "packaged" products or the Perpetual Securities do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Perpetual Securities may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
39.		Additional selling restrictions:	[Not Applicable/*give details*]

OPERATIONAL INFORMATION

40.	ISIN Code:	[●]
41.	Common Code:	[●]
42.	Any clearing system(s) other than Euroclear, Clearstream, Luxembourg or CDP and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
43.	Delivery:	Delivery [against/free of] payment
44.	Additional Paying Agent(s) (if any):	[●]

GENERAL

45.	Applicable governing document:	[Trust Deed dated 8 February 2017] [Singapore Supplemental Trust Deed dated 8 February 2017]
46.	The aggregate principal amount of Perpetual Securities in the Currency issued has been translated into Singapore dollars at the rate specified, producing a sum of:	[Not applicable/Exchange rate of Currency: Singapore dollar/Singapore dollar equivalent: [●]]
47.	In the case of Registered Perpetual Securities, specify the location of the office of the Registrar if other than [Luxembourg/Singapore]:	[●]
48.	In the case of Bearer Perpetual Securities, specify the location of the office of the Issuing and Paying Agent if other than [London or Singapore]:	[●]
49.	Ratings:	The Perpetual Securities to be issued are unrated.
50.	Governing Law:	[English law, save that the subordination provisions in Condition 3(b) are governed by, and shall be construed in accordance with, Singapore law]/ [Singapore law]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Perpetual Securities described herein pursuant to the S$3,000,000,000 Multicurrency Debt Issuance Programme of FCT MTN Pte. Ltd. and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust).

[**STABILISATION**

In connection with this issue, [insert name of Stabilisation Manager] (the "**Stabilisation Manager**") (or persons acting on behalf of any Stabilisation Manager) may over-allot Perpetual Securities or effect transactions with a view to supporting the market price of the Perpetual Securities at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Perpetual Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Perpetual Securities and 60 days after the date of the allotment of the Perpetual Securities. Any stabilisation action or overallotment must be conducted by the relevant Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.]

INVESTMENT CONSIDERATIONS

There are significant risks associated with the Perpetual Securities including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Perpetual Securities, the appropriate tools to analyse that investment, and the suitability of the investment in each investor's particular circumstances. No investor should purchase the Perpetual Securities unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Perpetual Securities.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

RESPONSIBILITY

[Each of the]/[The] Issuer [and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement.

[The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Pricing Supplement. Approval in-principle from, admission to the Official List of, and listing and quotation of the Perpetual Securities on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, [the Guarantor,] FCT, their respective subsidiaries, their respective associated companies (if any), the Programme or the Perpetual Securities.]

Signed on behalf of [FCT MTN Pte. Ltd./HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust)]

By: _____
Duly authorised

[Signed on behalf of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Frasers Centrepoint Trust):

By: _____
Duly authorised

GENERAL INFORMATION

(1) Approval in-principle has been received from the SGX-ST in connection with the Programme and application will be made for permission to deal in, and for quotation of, any Securities which are agreed at the time of issue to be listed on the SGX-ST. There can be no assurance that the application to the SGX-ST will be approved. If the application to the SGX-ST to list a particular Series of Securities is approved, and the rules of the SGX-ST so require, such Securities will be traded on the SGX-ST in a minimum board lot size of S$200,000 or its equivalent in other foreign currencies. For so long as any Securities is listed on the SGX-ST and the rules of the SGX-ST so require, the relevant Issuer shall appoint and maintain a paying agent in Singapore, where such Securities may be presented or surrendered for payment or redemption, in the event that any of the Global Securities representing such Securities is exchanged for definitive Securities. In addition, in the event that any of the Global Securities is exchanged for definitive Securities, an announcement of such exchange will be made by or on behalf of the relevant Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Securities, including details of the paying agent in Singapore.

(2) The LEI of FCT MTN Pte. Ltd. is 25490035IUKX8YZRVV66 and the LEI of FCT is 5493002RGQ266FKERZ83.

(3) Each of the Issuers and the Guarantor has obtained all necessary consents, approvals and authorisations in Singapore in connection with the establishment and update of the Programme and the giving of the Guarantee. The establishment and update of the Programme was authorised by resolutions of the Board of Directors of FCT MTN passed on 8 February 2017. The establishment and update of the Programme and the giving of the Guarantee by the FCT Trustee was authorised by resolutions of the Board of Directors of the FCT Trustee passed on 4 October 2016 and 24 November 2020 and the change to the list of authorised signatories dated 12 October 2021.

(4) Except as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of (i) FCT MTN since 30 September 2021 and (ii) the FCT Trustee or the Group since 30 September 2021 and no material adverse change in the prospects of (a) FCT MTN since 30 September 2021 and (b) the FCT Trustee or the Group since 30 September 2021.

(5) Except as disclosed in this Offering Circular, there are no legal or arbitration proceedings pending or, so far as the Issuers, the Guarantor and their respective directors are aware, threatened against the Issuers, the Guarantor, FCT or any of their respective subsidiaries the outcome of which, in the opinion of the directors, may have or have had during the 12 months prior to the date of this Offering Circular a material adverse effect on the financial position of the Issuers or the Guarantor.

(6) Each Bearer Security having a maturity of more than one year, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

(7) The Securities may be accepted for clearance through Euroclear, Clearstream, Luxembourg, CDP and the Austraclear System. The appropriate ISIN and common code in relation to the Securities of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Securities for clearance together with any further appropriate information.

(8) There are no material contracts entered into other than in the ordinary course of the Issuers’ or the Guarantor’s business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuers’ or the Guarantor’s ability to meet its obligations to Securityholders in respect of the Securities being issued.

(9) Where information in this Offering Circular has been sourced from third parties this information has been accurately reproduced and as far as the Issuers and the Guarantor are aware and are able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

(10) For so long as Securities may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the specified office of the Issuing and Paying Agent (with reasonable prior written notification being given), being at the date of this Offering Circular, the address set out at the end of this Offering Circular:

(i) the Trust Deed (which includes the form of the Global Securities, the definitive Bearer Securities, the Certificates, the Coupons and the Talons);

(ii) the Singapore Supplemental Trust Deed;

(iii) the Note (AMTN) Deed Poll in respect of AMTNs;

(iv) the Agency Agreement;

(v) the Australian Agency Agreement in respect of AMTNs;

(vi) each Pricing Supplement (save that a Pricing Supplement related to an unlisted Series of Securities will only be available for inspection by a holder of any such Securities and such holder must produce evidence satisfactory to the Issuer, the Guarantor or the Trustee as to its holding of Securities and identity); and

(vii) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular.

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Audited Consolidated Financial Statements of the Group for the Financial Year ended 30 September 2020 ..... **F-81**

Note: The information in this Appendix has been extracted and reproduced from the audited consolidated financial statements of the Group for the financial years ended 30 September 2020 and 2021, and has not been specifically prepared for inclusion in this Offering Circular. The references to the page numbers herein are those as reproduced from FCT's Annual Report 2020 and 2021.

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Report of The Trustee

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Frasers Centrepoint Trust (the "Trust") and its subsidiaries (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Frasers Centrepoint Asset Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 5 June 2006 (as amended by a first supplemental deed dated 4 October 2006, a first amending and restating deed dated 7 May 2009, a second supplemental deed dated 22 January 2010, a third supplemental deed dated 17 December 2015, a fourth supplemental deed dated 19 January 2017 and a fifth supplemental deed dated 24 January 2018) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements set out on pages 153 to 223, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
23 November 2021

Statement by The Manager

In the opinion of the directors of Frasers Centrepoint Asset Management Ltd., the accompanying financial statements set out on pages 153 to 223, comprising the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet of the Trust as at 30 September 2021, and the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and reserves and consolidated cash flow statement of the Group and the statement of total return, distribution statement, statement of movements in unitholders' funds and reserves of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies are drawn up so as to present fairly, in all material respects, the consolidated financial position and the consolidated portfolio holdings of the Group and the financial position of the Trust as at 30 September 2021, the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and reserves and consolidated cash flows of the Group and the total return, distributable income, movements in unitholders' funds and reserves of the Trust for the year then ended, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
Frasers Centrepoint Asset Management Ltd.

Dr Cheong Choong Kong
Director

Low Chee Wah
Director

Singapore
23 November 2021

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Frasers Centrepoint Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet of the Trust as at 30 September 2021, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and reserves and consolidated cash flow statement of the Group and the statement of total return, distribution statement and statement of movements in unitholders' funds and reserves of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 153 to 223.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet, statement of total return, distribution statement and statement of movements in unitholders' funds and reserves of the Trust present fairly, in all material respects, the consolidated financial position and the consolidated portfolio holdings of the Group and the financial position of the Trust as at 30 September 2021 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and reserves and consolidated cash flows of the Group and the total return, distributable income and movements in unitholders' funds and reserves of the Trust for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 ("RAP 7") *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants (the "ISCA").

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

Valuation of investment properties
(Refer to Portfolio Statement and Note 4 to the financial statements)

Risk

The Group owns suburban retail malls and an office space located all around Singapore that are leased to third parties under operating leases. As at 30 September 2021, the investment properties, with carrying amount of $5.50 billion, represent the single largest asset category on the consolidated balance sheet of the Group.

The investment properties are stated at their fair values based on independent external valuations. The valuation process is considered a key audit matter because it involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to key assumptions applied and a change in the assumptions may have a significant impact on the valuations.

Our response

We evaluated the qualifications and competence of the external valuers. We considered the valuation methodologies used against those applied by other valuers for similar property types. We evaluated the appropriateness of the key assumptions used in the valuations by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the assumptions were outside the expected range, we undertook further procedures to understand the effect of additional factors taken into account in the valuation.

Our findings

The external valuers are members of generally-recognised professional bodies for valuers and have considered their own independence in carrying out their work. The valuation methodologies used were in line with generally accepted market practices and the key assumptions used were within the range of market data. Where the assumptions were outside the expected range, the additional factors considered by the external valuers were consistent with other corroborative evidence.

Accounting of acquisitions
(Refer to Note 8 to the financial statements)

Risk

The Group makes acquisitions as part of its business strategy. For the financial year ended 30 September 2021, the Group acquired an additional 63.11% stake in AsiaRetail Fund Limited ("ARF") for an aggregate consideration of approximately $1,060.3 million.

The acquisition is considered a key audit matter as this is a significant non-routine transaction and requires management's judgement in determining whether the acquisition is a business combination or an acquisition of assets, given the accounting treatment is different in each case. The Group accounted for the acquisition as a business combination.

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

Our response

We have assessed the accounting of the acquisitions by examining the transaction agreements to understand the key terms of the transaction.

We assessed the allocation of the purchase price to significant identified assets and liabilities acquired. We compared the methodologies and key assumptions used in deriving the significant allocated values to generally accepted market practices and market data.

Our findings

The step acquisition of ARF has been appropriately accounted for as a business combination. The methodologies and key assumptions used in estimating the fair values of significant identified assets and liabilities and the resulting allocation in the purchase price were appropriate.

Other Information

Frasers Centrepoint Asset Management Ltd., the Manager of the Trust (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for the Sustainability Report and the Statistics of Unitholdings (the "Report") which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

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

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

When we read the Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the ISCA, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditors' Report

To the Unitholders
Frasers Centrepoint Trust
(Constituted under a Trust Deed (as amended) in the Republic of Singapore)

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Sarina Lee.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
23 November 2021

Balance Sheets

As at 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Non-current assets					
Investment properties	4	5,506,500	2,749,500	2,441,500	2,749,500
Fixed assets	5	175	229	175	229
Investment in subsidiaries	6	–	–	1,447,600	190,200
Investment in associates	7	46,494	696,406	46,494	62,784
Investment in joint ventures	9	294,399	177,197	287,436	173,626
Loan to joint venture	9	–	113,810	–	113,810
		5,847,568	3,737,142	4,223,205	3,290,149
Current assets					
Trade and other receivables	10	8,995	9,686	463,205	191,533
Cash and cash equivalents	11	42,234	28,583	14,661	27,958
Asset held for sale	12	–	108,000	–	108,000
		51,229	146,269	477,866	327,491
Total assets		5,898,797	3,883,411	4,701,071	3,617,640
Current liabilities					
Trade and other payables	13	75,843	43,277	117,840	43,286
Financial derivatives	14	1,281	466	1,281	466
Current portion of security deposits		38,981	16,856	13,288	16,856
Deferred income	15	–	1	–	1
Interest-bearing borrowings	16	204,827	255,000	204,827	255,000
Provision for taxation		1,266	86	–	–
Liabilities held for sale	12	–	1,427	–	1,427
		322,198	317,113	337,236	317,036
Non-current liabilities					
Financial derivatives	14	1,855	6,901	1,855	6,901
Interest-bearing borrowings	16	1,604,089	997,308	547,731	807,164
Non-current portion of security deposits		45,207	23,813	19,995	23,813
Deferred tax liabilities	17	6,640	–	–	–
		1,657,791	1,028,022	569,581	837,878
Total liabilities		1,979,989	1,345,135	906,817	1,154,914
Net assets		3,918,808	2,538,276	3,794,254	2,462,726
Represented by:-					
Unitholders' funds		3,941,493	2,562,605	3,796,362	2,467,368
Translation reserve	18	(20,077)	(18,999)	–	–
Hedging reserve	19	(2,608)	(5,330)	(2,108)	(4,642)
Unitholders' funds and reserves		3,918,808	2,538,276	3,794,254	2,462,726
Units in issue ('000)	20	1,699,268	1,119,447	1,699,268	1,119,447
Net asset value per Unit ($)	21	2.30	2.27	2.23	2.20

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Total Return

For the financial year ended 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Gross revenue	22	341,149	164,377	169,480	164,377
Property expenses	23	(94,582)	(53,489)	(47,832)	(53,489)
Net property income		246,567	110,888	121,648	110,888
Interest income		119	14	15	14
Other income	24	341	586	–	–
Interest income from joint venture		801	2,211	801	2,211
Borrowing costs	25	(45,938)	(27,603)	(19,806)	(23,498)
Asset management fees	26	(32,389)	(18,430)	(29,358)	(18,430)
Valuation fees		(109)	(121)	(85)	(121)
Trustee's fees		(1,023)	(577)	(492)	(577)
Audit fees		(240)	(138)	(160)	(136)
Other professional fees		(1,684)	(768)	(531)	(762)
Other charges		(664)	(655)	(548)	(633)
Net income		165,781	65,407	71,484	68,956
Distributions from subsidiaries		–	–	60,599	11,909
Distributions from an associate		–	–	383	1,629
Distributions from joint ventures		–	–	16,092	10,579
Share of results of associates	7	(1,386)	75,280	–	–
Share of results of joint ventures	9	16,886	11,200	–	–
Impairment loss on investment in an associate		(11,976)	–	(16,291)	(1,824)
(Loss)/surplus on revaluation of investment properties	4	(3,298)	4,747	(3,711)	4,747
Gain/(loss) from fair valuation of derivatives		2,948	(1,095)	1,510	(1,095)
Net gain on step acquisition		11,470	–	–	–
Expenses in relation to acquisitions of subsidiaries and an associate		(25,318)	(3,781)	(25,318)	(3,781)
Net foreign exchange loss		(21)	–	–	–
Gain on disposal of investment properties		17,156	–	17,155	–
Total return before tax		172,242	151,758	121,903	91,120
Taxation	27	(3,609)	(82)	–	–
Total return for the year		168,633	151,676	121,903	91,120
Earnings per Unit (cents)	28				
Basic		10.10	13.57	7.30	8.15
Diluted		10.08	13.55	7.29	8.14

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Distribution Statements

For the financial year ended 30 September 2021

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Income available for distribution to Unitholders at beginning of year	48,942	32,551	48,939	32,548
Net income	165,781	65,407	71,484	68,956
Net tax and other adjustments (Note A)	15,784	(8,011)	12,104	8,073
Distributable income of subsidiaries	–	–	80,874	–
Distribution from subsidiaries	–	–	23,737	11,909
Distributions from associates	7,017	33,171	383	1,629
Distributions from joint ventures	16,092	10,579	16,092	10,579
Distributable income for the year	204,674	101,146	204,674	101,146
Income available for distribution to Unitholders	253,616	133,697	253,613	133,694
Distributions to Unitholders:				
Distribution of 2.913 cents per Unit for period from 1/7/2019 to 30/9/2019	–	32,553	–	32,553
Distribution of 3.060 cents per Unit for period from 1/10/2019 to 31/12/2019	–	34,202	–	34,202
Distribution of 1.610 cents per Unit for period from 1/1/2020 to 31/3/2020	–	18,000	–	18,000
Distribution of 4.372 cents per Unit for period from 1/4/2020 to 30/9/2020	48,942	–	48,942	–
Distribution of 0.132 cents per Unit for period from 1/10/2020 to 6/10/2020	1,478	–	1,478	–
Distribution of 5.864 cents per Unit for period from 7/10/2020 to 31/3/2021	99,623	–	99,623	–
	150,043	84,755	150,043	84,755
Income available for distribution to Unitholders at end of year	103,573	48,942	103,570	48,939
Distribution per unit (cents) *	12.085	9.042	12.085	9.042
Note A – Net tax and other adjustments relate to the following items:				
– Asset management fees paid/payable in Units	6,478	4,798	6,478	4,798
– Amortisation of loan arrangement fees	3,217	1,347	1,058	1,060
– Amortisation of lease incentives	1,582	1,436	(51)	1,436
– Deferred income and amortisation of rental deposits	–	1	–	1
– Other items	4,507	(15,593)	4,619	778
Net tax and other adjustments	15,784	(8,011)	12,104	8,073

* The distribution relating to the second half of 2021 will be paid after 30 September 2021.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Movements in Unitholders' Funds and Reserves

For the financial year ended 30 September 2021

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Net assets at beginning of year	2,538,276	2,471,059	2,462,726	2,454,234
Operations				
Total return for the year	168,633	151,676	121,903	91,120
Unitholders' transactions				
Creation of Units				
- proceeds from equity fund raising	1,334,657	-	1,334,657	-
- issued/issuable as satisfaction of asset management fees	6,478	4,798	6,478	4,798
- issued as satisfaction of acquisition and divestment fees	19,884	1,972	19,884	1,972
Issue expenses	(3,885)	(1)	(3,885)	(1)
Distributions to Unitholders	(150,043)	(84,755)	(150,043)	(84,755)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	1,207,091	(77,986)	1,207,091	(77,986)
Share of movements in other reserves of an associate and a joint venture	3,164	(1,006)	-	-
Movement in translation reserve (Note 18)	(1,078)	(170)	-	-
Movement in hedging reserve (Note 19)	2,722	(5,297)	2,534	(4,642)
Net assets at end of year	3,918,808	2,538,276	3,794,254	2,462,726

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

GROUP

Description of Property	Term of Lease	Location	Existing Use	At Valuation 2021 $'000	At Valuation 2020 $'000	Percentage of Total Assets 2021 %	Percentage of Total Assets 2020 %
Investment properties in Singapore							
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	1,312,000	1,305,000	22.2	33.6
Northpoint City North Wing	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	771,500	771,500	13.1	19.9
Anchorpoint[(a)]	Freehold	368 & 370 Alexandra Road	Commercial	–	110,000	–	2.8
YewTee Point[(a)]	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	–	190,000	–	4.9
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	325,000	338,000	5.5	8.7
Yishun 10 Retail Podium	99-year leasehold from 1 April 1990	51 Yishun Central 1	Commercial	33,000	35,000	0.6	0.9
Tiong Bahru Plaza[(b)]	99-year leasehold from 1 September 1991	302 Tiong Bahru Road	Commercial	654,000	–	11.1	–
White Sands[(b)]	99-year leasehold from 1 May 1993	1 Pasir Ris Central Street 3	Commercial	428,000	–	7.3	–
Hougang Mall[(b)]	99-year leasehold from 1 May 1994	90 Hougang Avenue 10	Commercial	432,000	–	7.3	–
Tampines 1[(b)]	99-year leasehold from 1 April 1990	10 Tampines Central 1	Commercial	762,000	–	12.9	–
Century Square[(b)]	99-year leasehold from 1 September 1992	2 Tampines Central 5	Commercial	574,000	–	9.7	–
Central Plaza[(b)]	99-year leasehold from 1 September 1991	298 Tiong Bahru Road	Commercial	215,000	–	3.6	–
Investment properties, at valuation (carried forward)				5,506,500	2,749,500	93.3	70.8

(a) Divested during the year ended 30 September 2021.

(b) These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in AsiaRetail Fund Limited ("ARF") on 27 October 2020.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

GROUP

Description of Property	Term of Lease	Location	Existing Use	At Valuation 2021 $'000	At Valuation 2020 $'000	Percentage of Total Assets 2021 %	Percentage of Total Assets 2020 %
Investment properties in Singapore (cont'd)							
Investment properties, at valuation (brought forward)				5,506,500	2,749,500	93.3	70.8
Asset held for sale in Singapore (Note 12)							
Bedok Point[(a)]	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	–	108,000	–	2.8
Investment in associates (Note 7)				46,494	696,406	0.8	17.9
Investment in joint ventures, including loan to joint venture (Note 9)				294,399	291,007	5.0	7.5
				5,847,393	3,844,913	99.1	99.0
Other assets				51,404	38,498	0.9	1.0
Total assets attributable to Unitholders				5,898,797	3,883,411	100.0	100.0

(a) Divested during the year ended 30 September 2021.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

Independent valuations of the investment properties were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL") and Savills Valuation and Professional Services (S) Pte Ltd ("Savills") (2020: CBRE Pte Ltd ("CBRE"), Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") and Savills). In 2020, the independent valuations of asset held for sale were undertaken by JLL and Colliers. The Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued. The valuations were performed based on the following methods:

Description of Property	Valuer	Valuation Method	Valuation 2021 $'000	Valuation 2020 $'000
Investment Properties				
Causeway Point	JLL (2020: Savills)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	1,312,000	1,305,000
Northpoint City North Wing	JLL (2020: Colliers)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach and discounted cash flow) [(b)]	771,500	771,500
Anchorpoint[(a)]	Not applicable (2020: Colliers)	Not applicable (2020: Capitalisation approach and discounted cash flow analysis) [(b)]	–	110,000
YewTee Point[(a)]	Not applicable (2020: CBRE)	Not applicable (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	–	190,000
Changi City Point	JLL (2020: Savills)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	325,000	338,000
Yishun 10 Retail Podium	JLL (2020: Savills)	Capitalisation approach and discounted cash flow analysis [(b)] (2020: Capitalisation approach, discounted cash flow analysis and direct comparison method)	33,000	35,000

(a) Divested during the year ended 30 September 2021.

(b) Direct comparison method was used as a cross-check.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Portfolio Statements

As at 30 September 2021

Description of Property	Valuer	Valuation Method	Valuation 2021 $'000	Valuation 2020 $'000
Investment Properties (cont'd)				
Tiong Bahru Plaza[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis[b] (2020: Not applicable)	654,000	–
White Sands[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis[b] (2020: Not applicable)	428,000	–
Hougang Mall[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis[b] (2020: Not applicable)	432,000	–
Tampines 1[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis[b] (2020: Not applicable)	762,000	–
Century Square[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis[b] (2020: Not applicable)	574,000	–
Central Plaza[c]	Savills (2020: Not applicable)	Capitalisation approach and discounted cash flow analysis[b] (2020: Not applicable)	215,000	–
Asset held for sale in Singapore (Note 12)				
Bedok Point[a]	Not applicable (2020: JLL & Colliers)	Not applicable (2020: Residual method and direct comparison method)	–	108,000

(a) Divested during the year ended 30 September 2021.

(b) Direct comparison method was used as a cross-check.

(c) These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

The net changes in fair values of these investment properties have been recognised in the Statements of Total Return in accordance with the Group's accounting policies.

The investment properties are leased to third party tenants. Generally, these leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with individual lessees. Contingent rent, which comprises gross turnover rent, recognised in the Statements of Total Return of the Group and the Trust for the year ended 30 September 2021 amounted to $15,218,000 (2020: $7,824,000) and $8,773,000 (2020: $7,824,000) respectively.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

For the financial year ended 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000
Operating activities			
Total return before tax		172,242	151,758
Adjustments for:			
Net allowance for doubtful receivables		601	198
Borrowing costs		45,938	27,603
Asset management, divestment and acquisition fees paid/payable in Units		26,362	6,770
Interest income		(119)	(14)
Depreciation of fixed assets		58	56
Share of associates' results		1,386	(75,280)
Share of joint ventures' results		(16,886)	(11,200)
Impairment loss on investment in an associate		11,976	–
Loss/(surplus) on revaluation of investment properties		3,298	(4,747)
Gain on disposal of investment properties		(17,156)	–
Net gain on step acquisition		(11,470)	–
(Gain)/loss from fair valuation of derivatives		(2,948)	1,095
Amortisation of lease incentives		1,582	1,436
Deferred income recognised		–	(1)
Fixed assets write off		37	6
Operating income before working capital changes		**214,901**	**97,680**
Changes in working capital:			
Trade and other receivables		8,729	(8,097)
Trade and other payables		(14,170)	(11,446)
Tax paid		(11,015)	(7)
Cash flows generated from operating activities		**198,445**	**78,130**
Investing activities			
Gross proceeds from disposal of investment properties		438,000	–
Distributions received from associates		7,017	34,017
Distributions received from joint ventures		16,092	10,579
Interest received		119	14
Capital expenditure on investment properties		(5,785)	(10,901)
Acquisition of fixed assets		(41)	(206)
Acquisition of subsidiaries, net of cash	8	(925,950)	–
Acquisition of investment in associate		–	(197,237)
Acquisition of investment in joint venture		–	(68)
Cash flows used in investing activities		**(470,548)**	**(163,802)**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

For the financial year ended 30 September 2021

	Note	Group 2021 $'000	Group 2020 $'000
Financing activities			
Proceeds from issue of new units		1,334,657	–
Payment of issue expenses		(3,885)	(1)
Proceeds from borrowings		636,620	793,000
Repayment of borrowings		(1,487,240)	(580,083)
Borrowing costs paid		(41,960)	(25,755)
Distributions to Unitholders		(150,043)	(84,755)
Payment of financing expenses		(2,395)	(1,254)
Cash flows generated from financing activities		**285,754**	**101,152**
Net increase in cash and cash equivalents		**13,651**	**15,480**
Cash and cash equivalents at beginning of year		28,583	13,103
Cash and cash equivalents at end of year	11	**42,234**	**28,583**

Significant Non-Cash Transactions

In 2021, 2,745,397 (2020: 1,994,085) Units were issued and issuable in satisfaction of asset management fees payable in Units, amounting to a value of $6,477,813 (2020: $4,798,241).

On 27 November 2020, 8,231,488 Units were issued in satisfaction of the acquisition fee of $19,343,997 in connection with the acquisition of approximately 63.11% of the total issued share capital of ARF and 231,729 Units were issued in satisfaction of the divestment fee of $540,000 in connection with the disposal of Bedok Point. (2020: 827,060 units were issued on 11 August 2020 in satisfaction of acquisition fees of $1,972,373 in connection with the acquisition of an additional stake of 12.07% in ARF completed on 6 July 2020).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

30 September 2021

The following notes form an integral part of the financial statements.

1. GENERAL

Frasers Centrepoint Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to a trust deed dated 5 June 2006, and any amendment or modification thereof (the "Trust Deed"), between Frasers Centrepoint Asset Management Ltd. (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office is 10 Marina Boulevard, Marina Bay Financial Centre Tower 2 #48-01 Singapore 018983.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 July 2006 and was included in the Central Provident Fund Investment Scheme ("CPFIS") on 5 July 2006.

The principal activity of the Trust is to invest in income-producing properties used primarily for retail purposes, in Singapore and overseas, with the primary objective of delivering regular and stable distributions to Unitholders and to achieve long-term capital growth. The principal activity of the subsidiaries is set out in Note 6.

The financial statements were authorised for issue by the Manager and the Trustee on 23 November 2021.

The Group has entered into several service agreements in relation to management of the Group and its property operations. The fee structures of these services are as follows:

1.1 Property management fees

Under the property management agreements, the fees charged for all properties within the portfolio, excluding Central Plaza, are as follows:

(i) 2.0% per annum of the gross revenue of the properties;

(ii) 2.0% per annum of the net property income of the properties (calculated before accounting for the property management fees); and

(iii) 0.5% per annum of the net property income of the properties (calculated before accounting for the property management fees), in lieu of leasing commissions.

For Central Plaza, property management fees are charged based on 3.0% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

1.2 Asset management fees

Pursuant to the Trust Deed, asset management fees comprise the following:

(i) a base fee equal to a rate of 0.3% per annum of the value of Deposited Property (being all assets, as stipulated in the Trust Deed) of the Trust and any Special Purpose Vehicles of the Group; and

(ii) an annual performance fee equal to a rate of 5.0% per annum of the Net Property Income (as defined in the Trust Deed) of the Trust and any Special Purpose Vehicles of the Group (as defined in the Trust Deed) for each financial year.

Any increase in the rate or any change in the structure of the asset management fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Notes to the Financial Statements

30 September 2021

1. GENERAL (CONT'D)

1.2 Asset management fees (cont'd)

The Manager may elect to receive the fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). For the year ended 30 September 2021, the Manager has opted to receive 20% (2020: 20% to 50%) of the asset management fees in the form of Units with the balance in cash. The portion of the base management fees is payable on a quarterly basis in arrears and the portion of the performance management fees is payable on an annually basis in arrears.

The Manager is also entitled to receive acquisition fee at the rate of 1% of the acquisition price and a divestment fee of 0.5% of the sale price on all acquisitions or disposals of properties or investments.

1.3 Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees payable by the Trust shall not exceed 0.1% per annum of the value of Deposited Property of the Trust, subject to a minimum of $9,000 per month, excluding out-of-pocket expenses and GST. The Trustee's fees payable by the sub-trusts shall not exceed 0.0135% per annum of the respective proportionate share of the value of Deposited Property, subject to a minimum of $6,000 per month, excluding out-of-pocket expenses and GST.

Any increase in the maximum permitted or any change in the structure of the Trustee's fee must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Trustee's fees are payable monthly in arrears.

2. BASIS OF PREPARATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Financial Reporting Standards in Singapore ("FRS").

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

These financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

The preparation of the financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and associated assumptions are based on historical experience and relevant factors, including expectation of further events that are believed to be reasonable under the circumstances and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Notes to the Financial Statements

30 September 2021

2. BASIS OF PREPARATION (CONT'D)

2.1 Basis of preparation (cont'd)

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(i) Note 3.1(i) – Business combinations;

(ii) Note 7 – Investment in associates; and

(iii) Note 9 – Investment in joint ventures.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 4 – Valuation of investment properties.

2.2 Changes in accounting policies

New standards and amendments

The Group has applied the following new FRS, amendments to and interpretations of FRSs for the first time for the annual period beginning on 1 October 2020:

- Amendments to References to Conceptual Framework in FRS Standards
- Amendments to FRS 3 *Definition of a Business*
- Amendments to FRS 1 and FRS 8 *Definition of Material*
- Amendments to FRS 116 *COVID-19-related Rent Concessions*
- Amendments to FRS 109, FRS 39, FRS 107, FRS 104, FRS 116 *Interest Rate Benchmark Reform Phase 2*

The Group early adopted Interest Rate Benchmark Reform – Phase 2 – Amendments to FRS 109 Financial Instruments, FRS 39 *Financial Instruments – Recognition and Measurement*, FRS 107 *Financial Instruments: Disclosures*, FRS 104 *Insurance Contracts*, and FRS 116 *Leases* in relation to phase 2 of the project on interest rate benchmark reform. The Group applied the Phase 2 amendments retrospectively. However, in accordance with the exceptions permitted in the Phase 2 amendments, the Group has elected not to restate the prior period to reflect the applications of these amendments, including not providing additional disclosures for 2020. There is no impact on opening equity balances as a result of retrospective application.

2. BASIS OF PREPARATION (CONT'D)

2.2 Changes in accounting policies (cont'd)

Specific policies applicable from 1 October 2020 for interest rate benchmark reform

The Phase 2 amendments provide practical relief from certain requirements in FRS. These reliefs relate to modifications of financial instruments or hedging relationships triggered by a replacement of a benchmark interest rate in a contract with a new alternative benchmark rate.

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. Subsequently, the Group applies the policies on accounting for modifications set out above to the additional changes.

Finally, the Phase 2 amendments provide a series of temporary exceptions from certain hedge accounting requirements when a change required by interest rate benchmark reform occurs to a hedged item and/or hedging instrument that permit the hedge relationship to be continued without interruption. The Group applies the following reliefs as and when uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument:

- the Group amends the designation of a hedging relationship to reflect changes that are required by the reform without discontinuing the hedging relationship; and
- when a hedged item in a cash flow hedge is amended to reflect the changes that are required by the reform, the amount accumulated in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.

While uncertainty persists in the timing or amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, the Group continues to apply the existing accounting policies.

The Group's adoption of the new standards and amendments did not have a material effect on the financial statements.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied by the Group entities consistently to all the periods presented in these financial statements, except as explained in Note 2.2, which addresses changes in accounting policies arising from the adoption of new standards.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in the statements of total return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statements of total return.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within unitholders' funds. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the statements of total return.

NCI (if any) that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

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

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(ii) Subsidiaries

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

In the Trust's balance sheet, investment in subsidiary is accounted for at cost less any accumulated impairment losses.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the statements of total return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iii) Investments in associates and joint ventures (equity-accounted investees)

An associate is an entity over which the Group has significant influence over the financial and operating policy decisions of the investee but does not have control or joint control of those policies. Significant influence is presumed to exist when the Group has 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its investment in equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Trust. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Trust's separate financial statements, interests in joint ventures and associates are carried at cost less accumulated impairment losses.

A list of the associates and joint ventures is shown in Notes 7 and 9, respectively.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(v) Property acquisitions and business combinations

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary.

When the acquisition does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

3.2 Earnings per unit

The Group presents basic and diluted earnings per unit data for its units. Basic earnings per unit is calculated by dividing the total return attributable to Unitholders of the Group by the weighted-average number of units outstanding during the year. Diluted earnings per unit is determined by adjusting the total return attributable to Unitholders and the weighted-average number of units outstanding, for the effects of all dilutive potential units.

3.3 Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses are property management fees which are based on the applicable formula stipulated in Note 1.1.

(ii) Asset management fees

Asset management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1.2.

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses are Trustee's fees which are based on the applicable formula stipulated in Note 1.3.

3.4 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statements of total return. Any gain or loss on derecognition is recognised in the statements of total return.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Directly attributable transaction costs are recognised in the statements of total return as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statements of total return.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its balance sheets, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statements of total return.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheets when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the statements of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statements of total return.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in unitholders' funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in unitholders' funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statements of total return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in unitholders' funds until it is reclassified to the statements of total return in the same period or periods as the hedged expected future cash flows affect the statements of total return.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to the statements of total return.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(vi) Derivative financial instruments and hedge accounting (cont'd)

Cash flow hedges (cont'd)

Hedges directly affected by interest rate benchmark reform

The Group has early adopted the Phase 2 amendments and retrospectively applied them from 1 October 2020 (Note 2.2).

When the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by IBOR reform. For this purpose, the hedge designation is amended only to make one or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by IBOR reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by IBOR reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by IBOR reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Notes to the Financial Statements

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Fixed assets

(i) Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed asset.

The gain or loss on disposal of an item of fixed asset is recognised in the statements of total return.

(ii) Subsequent costs

The cost of replacing a component of an item of fixed asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of fixed asset are recognised in the statements of total return as incurred.

(iii) Depreciation

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

Depreciation is recognised as an expense in the statements of total return on a straight-line basis over the estimated useful lives of each component of an item of fixed asset, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the fixed assets are installed and are ready for use. The estimated useful lives for the current and comparative years are 2 years to 10 years.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are measured and recorded on initial recognition in Singapore dollars, the functional currency of the Trust and subsidiaries, at exchange rates at the dates of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an equity investment designated as at fair value through other comprehensive income ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Foreign currency (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies FRS 115 to allocate the consideration in the contract.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost and lease receivables.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held), or when the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the balance sheets

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount. Impairment losses are recognised in the statements of total return.

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

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

Notes to the Financial Statements

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in the statements of total return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3.9 Assets held for sale

The fair value of the Group's investment properties held for sale is either valued by an independent valuer or based on agreed contractual selling price on a willing buyer seller basis. For investment properties held for sale valued by an independent valuer, the valuer has considered the direct comparison and residual method in arriving at the open market value as at the reporting date. In determining the fair value, the valuer used valuation techniques which involve certain estimates.

3.10 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the foreign currency gain or loss on financial assets and financial liabilities; and
- hedge ineffectiveness recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value thereafter. Valuation is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers.

- In such manner and frequency required under the CIS Code issued by the MAS; and
- At least in each period of 12 months following the acquisition of each parcel of real estate property.

Any increase or decrease on revaluation is credited or charged to the statements of total return as a net revaluation surplus or deficit in the value of the investment properties.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statements of total return.

Investment properties are not depreciated. Investment properties are subject to continual maintenance and regularly revalued on the basis set out above. For taxation purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Singapore Income Tax Act.

3.12 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.13 Revenue recognition

Gross rental income

Gross rental income is recognised on a straight-line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

Turnover rental income

Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period in which it is earned and the amount can be reliably measured.

Car park income

Car park income consists of season and hourly parking income. Season parking income is recognised on a straight-line basis over the non-cancellable lease term. Hourly parking income is recognised at a point of time upon the utilisation of car parking facilities.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Security deposits and deferred income

Security deposits relate to rental deposits received from tenants at the Group's investment properties. The accounting policy for security deposits as financial liabilities is set out in Note 3.4.

Deferred income relates to the difference between consideration received for security deposits and its fair value at initial recognition and is credited to the statements of total return as gross rental income on a straight-line basis over individual lease term.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Board of Directors of the Manager to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Board of Directors of the Manager include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly borrowing costs and asset management fees.

Segment capital expenditure is the total cost incurred to acquire investment properties and fixed assets.

3.16 Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax expense are recognised in the statements of total return except to the extent that it relates to an item recognised directly in unitholders' funds.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is not recognised for temporary differences that:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Taxation (cont'd)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Tax transparency

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions (the "tax transparency ruling"). Accordingly, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to Unitholders that are made out of the taxable income of the Trust, except:

- where the beneficial owners are individuals or Qualifying Unitholders, who are not acting in the capacity of a trustee, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax; and

- where the beneficial owners are Qualifying foreign non-individual investors or qualifying Non-resident Fund or where the Units are held by nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are Qualifying foreign non-individual investors or qualifying Non-resident Fund, the Trustee and the Manager will deduct/withhold tax at a reduced rate of 10% from the distributions.

A Qualifying non-individual investor refers to a non-resident non-individual unitholder or foreign fund who:

(i) does not have any permanent establishment in Singapore (other than a fund manager in Singapore); or

(ii) carries on any operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that person to acquire the units in the Trust are not obtained from that operation.

Notes to the Financial Statements

30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Taxation (cont'd)

Tax transparency (cont'd)

A Qualifying Unitholder is a unitholder who is:

(i) an individual (including those who purchased units in the Trust through agent banks or Supplementary Retirement Scheme ("SRS") operators which act as a nominee under the CPF Investment Scheme or the SRS respectively);

(ii) a company incorporated and resident in Singapore;

(iii) a Singapore branch of a foreign company;

(iv) a body of persons (excluding companies or partnerships) incorporated or registered in Singapore, including charities registered under Charities Act (Cap. 37) or established by any written law, town councils, statutory boards, co-operative societies registered under the Co-operatives Societies Act (Cap. 62) or trade unions registered under the Trade Unions Act (Cap. 333);

(v) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145); or

(vi) real estate investment trust exchange-traded funds ("REIT ETFs") which have been accorded the tax transparency treatment.

A qualifying Non-resident Fund is a non-resident fund that qualifies for tax exemption under Section 13CA, 13X or 13Y of the Income Tax Act (Cap.134) and who:

(i) does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or

(ii) carries on an operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that qualifying fund to acquire units of the Trust are not obtained from that operation.

The above tax transparency ruling does not apply to gains from the sale of real properties. Such gains, when determined by the IRAS to be trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the capital gains without tax being deducted at source.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the IRAS is included as part of receivables or payables on the Balance Sheets.

3.17 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and are classified as equity. Incremental costs directly attributable to the issuance of Units are deducted against unitholders' funds.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Group will comply with the conditions associated with the grant. Government grants related to income are recognised in the statements of total return as 'Other Income' on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

3.19 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new FRSs, interpretations and amendments to FRSs are not expected to have a significant impact on the Group's consolidated financial statements and the Trust's balance sheet.

- FRS 117 *Insurance Contracts*
- *Classification of Liabilities as Current or Non-current* (Amendments to FRS 1)
- *Covid-19-Related Rent Concessions beyond 30 June 2021* (Amendments to FRS 116)
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to FRS 110 and FRS 28)
- *Reference to the Conceptual Framework* (Amendments to FRS 103)
- *Property, Plant and Equipment – Proceeds before Intended Use* (Amendments to FRS 116)
- *Onerous Contracts – Costs of Fulfilling a Contract* (Amendments to FRS 37)
- *Annual Improvements to FRSs 2018 - 2020*

4. INVESTMENT PROPERTIES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At beginning	2,749,500	2,846,000	2,749,500	2,846,000
Acquisition of subsidiaries (Note 8)	3,065,000	–	–	–
Capital expenditure	6,880	8,189	5,660	8,189
Disposal	(310,000)	–	(310,000)	–
	5,511,380	2,854,189	2,445,160	2,854,189
(Loss)/surplus on revaluation taken to Statements of Total Return	(4,880)	3,311	(3,660)	3,311
Reclassification to asset held for sale (Note 12)	–	(108,000)	–	(108,000)
At end	5,506,500	2,749,500	2,441,500	2,749,500

The investment properties owned by the Group are set out in the Portfolio Statements on pages 157 to 160.

On 3 September 2020, the Trust entered into a put and call option agreement with Chempaka Development Pte Ltd, a related company of the Group to sell Bedok Point. Accordingly, the investment property was classified to asset held for sale as at 30 September 2020. The disposal was completed on 9 November 2020.

On 23 December 2020, the Trust entered into a sale and purchase agreement with a third party for the disposal of Anchorpoint. The disposal was completed for a consideration of $110 million on 22 March 2021.

Notes to the Financial Statements

30 September 2021

4. INVESTMENT PROPERTIES (CONT'D)

On 31 January 2021, YewTee Point was valued at $200 million by Savills Valuation and Professional Services (S) Pte. Ltd and a revaluation surplus of $10 million was recognised. The valuation methods used to derive its fair value include the Capitalisation Approach and Discounted Cash Flow Analysis, with the Direct Comparison Method used as a cross-check. On 19 March 2021, the Trust entered into a sale and purchase agreement with a third party for the disposal of YewTee Point. The disposal was completed for a consideration of $220 million on 28 May 2021.

Certain investment properties of the Group with an aggregate carrying value of $2,743 million (2020: $448 million) are pledged as securities to banks for banking facilities granted (Note 16).

Valuation processes

Investment properties are stated at fair value based on valuations performed by external independent valuers who possess appropriate recognised professional qualifications and relevant experience in the location and property being valued. In accordance with the CIS code, the Group rotates the independent valuers every two years.

In determining the fair value, the valuers have used valuation methods which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yields, discount rates and terminal yields. The Manager reviews the appropriateness of the valuation methodologies, assumptions and estimates adopted and is of the view that they are reflective of the market conditions as at 30 September 2021.

Fair value hierarchy

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

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 September 2021				
Group				
Non-financial assets				
Investment properties	–	–	5,506,500	5,506,500
Trust				
Non-financial assets				
Investment properties	–	–	2,441,500	2,441,500
At 30 September 2020				
Group and Trust				
Non-financial assets				
Investment properties	–	–	2,749,500	2,749,500

4. INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 30 September 2021 $'000	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Group					
Investment properties	$5,506,500 (2020: $2,749,500)	Capitalisation approach	Capitalisation rate	3.75% – 5.00% (2020: 3.75% – 5.00%)	The higher the rates, the lower the fair value.
		Discounted cash flow analysis	Discount rate	6.25% – 7.50% (2020: 7.00% – 7.50%)	The higher the rates, the lower the fair value.
			Terminal yield	4.00% – 5.25% (2020: 4.00% – 5.25%)	The higher the rates, the lower the fair value.
		Direct comparison method	Transacted prices	NA (2020: $1,805 – $4,205 psf) (1)	The higher the comparable values, the higher the fair value.

(1) In 2020, the direct comparison method was used in the valuation of Causeway Point, YewTee Point, Changi City Point and Yishun 10 Retail Podium.

The key unobservable inputs correspond to:

- discount rate, based on the risk-free rate for 10-year bonds issued by the government of Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class;
- terminal yield reflects the uncertainty, functional/economic obsolescence and the risk associated with the investment properties; and
- capitalisation rate which corresponds to a rate of return on investment properties based on the expected income that the property will generate.

The net change in fair value of the properties recognised in the Statements of Total Return has been adjusted for amortisation of lease incentives as follows:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
(Loss)/surplus on revaluation	(4,880)	3,311	(3,660)	3,311
Amortisation of lease incentives	1,582	1,436	(51)	1,436
(Loss)/surplus on revaluation	(3,298)	4,747	(3,711)	4,747

Direct operating expenses (including repairs and maintenance) arising from rental generating properties are disclosed on Note 23 to the financial statements.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property.

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5. FIXED ASSETS

	Equipment, furniture and fittings, and others Group and Trust	
	2021 $'000	2020 $'000
Cost		
At beginning	466	401
Additions	41	206
Disposals/write-offs	(191)	(141)
At end	316	466
Accumulated depreciation		
At beginning	237	316
Charge for the year	58	56
Disposals/write-offs	(154)	(135)
At end	141	237
Carrying amount		
At beginning	229	85
At end	175	229

6. INVESTMENT IN SUBSIDIARIES

	Trust	
	2021 $'000	2020 $'000
Unquoted equity investments, at cost	1,447,600	190,200

Details of the significant subsidiaries are as follows:

Name of subsidiary	Place of incorporation/ business	Principal activity	Effective equity interest held by the Trust 2021 %	Effective equity interest held by the Trust 2020 %
FCT MTN Pte. Ltd. (1)	Singapore	Provision of treasury services	100	100
FCT Holdings (Sigma) Pte. Ltd. (1)	Singapore	Investment holding	100	100
Tiong Bahru Plaza LLP (1), (2), (3)	Singapore	Property investment	100	36.89
White Sands LLP (1), (2), (3)	Singapore	Property investment	100	36.89
Hougang Mall LLP (1), (2), (3)	Singapore	Property investment	100	36.89
Tampines 1 LLP (1), (2), (3)	Singapore	Property investment	100	36.89
Central Plaza LLP (1), (2), (3)	Singapore	Property investment	100	36.89
Century Square Holding Pte Ltd (1), (2), (3)	Singapore	Property investment	100	36.89

(1) Audited by KPMG LLP, Singapore.
(2) Indirectly held by FCT.
(3) FCT (through FCT Holdings (Sigma) Pte. Ltd.) acquired the remaining 63.11% of the total issued share capital of AsiaRetail Fund Limited ("ARF") from Frasers Property Investments (Bermuda) Limited on 27 October 2020 ("Acquisition"). The entities set out herein, which were indirectly wholly-owned by ARF, were, prior to the Acquisition, private limited companies. Following the Acquisition and the subsequent reorganisation of the holding in these companies, save for Century Square Holding Pte Ltd, they have been converted to limited liability partnerships.

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6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the significant subsidiaries are as follows: (cont'd)

Name of subsidiary	Place of incorporation/ business	Principal activity	Effective equity interest held by the Trust 2021 %	2020 %
Tiong Bahru Plaza Trust 1 (1)	Singapore	Investment holding	100	–
Tiong Bahru Plaza Trust 2 (1), (2)	Singapore	Investment holding	100	–
White Sands Trust 1 (1)	Singapore	Investment holding	100	–
White Sands Trust 2 (1), (2)	Singapore	Investment holding	100	–
Hougang Mall Trust 1 (1)	Singapore	Investment holding	100	–
Hougang Mall Trust 2 (1), (2)	Singapore	Investment holding	100	–
Tampines 1 Trust 1 (1)	Singapore	Investment holding	100	–
Tampines 1 Trust 2 (1), (2)	Singapore	Investment holding	100	–
Central Plaza Trust 1 (1)	Singapore	Investment holding	100	–
Central Plaza Trust 2 (1), (2)	Singapore	Investment holding	100	–
Century Square Trust 1 (1)	Singapore	Investment holding	100	–
Century Square Trust 2 (1)	Singapore	Investment holding	100	–
The Management Corporation Strata Title Plan No. 2634 (2)	Singapore	Management and maintenance of property	100	–
AsiaRetail Fund Limited (2)	Bermuda	Investment holding	100	36.89

(1) Audited by KPMG LLP, Singapore.

(2) Indirectly held by FCT.

7. INVESTMENT IN ASSOCIATES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Investments, at cost	651,774	651,774	74,584	74,584
Reclassification to investment in subsidiaries (Note 8)	(629,037)	–	–	–
Share of post-acquisition reserves	62,552	70,390	–	–
Translation difference	(20,060)	(18,999)	–	–
	65,229	703,165	74,584	74,584
Allowance for impairment	(18,735)	(6,759)	(28,090)	(11,800)
	46,494	696,406	46,494	62,784

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7. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of associates	Place of incorporation/ business	Effective equity interest held by the Group 2021 %	Effective equity interest held by the Group 2020 %	Effective equity interest held by the Trust 2021 %	Effective equity interest held by the Trust 2020 %
Hektar Real Estate Investment Trust [1]	Malaysia	31.15	31.15	31.15	31.15
AsiaRetail Fund Limited [2]	Bermuda	100.00	36.89	–	–

(1) Audited by BDO, Malaysia.

(2) ARF was formerly known as "PGIM Real Estate AsiaRetail Fund Limited".

(a) Hektar Real Estate Investment Trust ("H-REIT") is a real estate investment trust constituted in Malaysia by a trust deed dated 5 October 2006. H-REIT units are listed on the Main Board of Bursa Malaysia Securities Berhad. The principal investment objective of H-REIT is to invest in income-producing real estate in Malaysia used primarily for retail purposes.

The Group assesses at each reporting date whether there is any objective evidence that its investment in H-REIT is impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of its value in use and its fair value less costs to sell. For the year ended 30 September 2021, the Group and the Trust provided for an impairment loss of $11,976,000 (2020: $Nil) and $16,291,000 (2020: $1,824,000) respectively to write down the carrying amount of the investment in H-REIT to the estimated recoverable amount.

As the results of H-REIT are not expected to be announced in sufficient time to be included in the Group's results for the quarter ended 30 September 2021, the Group has estimated the results of H-REIT for the quarter ended 30 September 2021 based on its results for the preceding quarter, adjusted for significant transactions and events occurring up to the reporting date of the Group, if any.

The results for H-REIT are equity accounted for at the Group level, net of 10% (2020: 10%) withholding tax in Malaysia.

The fair value of H-REIT based on published price quotations was $26,501,000 (2020: $27,695,000).

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2021 $'000	2020 $'000
Assets and liabilities [3]		
Non-current assets	394,548	405,411
Current assets	15,617	17,008
Total assets	410,165	422,419
Current liabilities	24,589	26,539
Non-current liabilities	196,401	197,422
Total liabilities	220,990	223,961
Results [4]		
Revenue	35,536	40,666
Expenses	(30,974)	(32,095)
Revaluation (loss)/surplus	(12,489)	1,219
Total return for the year	(7,927)	9,790

(3) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 June 2021 and 30 June 2020, respectively.

(4) The "Results" is based on the latest available unaudited management accounts for the six months ended 30 June 2021 and 30 June 2020 respectively and six-month results from the audited financial statements for the years ended 31 December 2020 and 31 December 2019, respectively.

7. INVESTMENT IN ASSOCIATES (CONT'D)

As at 30 September 2021, the associate's property portfolio comprises Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade and Segamat Central in Johor, Central Square and Kulim Central in Kedah.

(b) ARF is an open-end private investment vehicle set up as a company incorporated in Bermuda.

On 6 July 2020, the Group's equity interest in ARF increased from 24.82% to 36.89%, through an acquisition by its wholly-owned subsidiary, FCT Holdings (Sigma) Pte. Ltd., which purchased 48,229 shares in the capital of ARF for a total consideration of approximately $197.2 million.

On 27 October 2020, the Group completed the acquisition of approximately 63.11% of the total issued share capital of ARF. Accordingly, the Group's investment in ARF is reclassified from "investment in associates" to "investment in subsidiaries" as at 30 September 2021. See Note 8 for acquisition of subsidiaries.

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2020 $'000
Assets and liabilities [5]	
Non-current assets	3,169,878
Current assets	122,598
Total assets	3,292,476
Current liabilities	146,133
Non-current liabilities	1,450,635
Total liabilities	1,596,768
Results [6]	
Revenue	196,534
Expenses	(124,960)
Revaluation surplus	156,204
Other comprehensive income	(1,192)
Total return for the period	226,586

(5) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 September 2020.

(6) The "Results" is for the year ended 30 September 2020.

	2021 $'000	2020 $'000
Group's interest in associates at beginning of the year	696,406	457,470
Group's share of:		
– Profit after taxation	(1,386)	75,280
– Other comprehensive income	566	(240)
Total comprehensive income	(820)	75,040
Additions during the year	–	197,237
Reclassification to investment in subsidiaries (Note 8)	(629,037)	–
Dividends received during the year	(7,017)	(33,171)
Provision for impairment	(11,976)	–
Translation difference	(1,062)	(170)
Carrying amount of interest at end of the year	46,494	696,406

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8. ACQUISITION OF SUBSIDIARIES

On 27 October 2020, the Group acquired an additional 252,158 shares in the capital of ARF from Frasers Property Investments (Bermuda) Limited, a related company of the Group for a total consideration of approximately $1,060.3 million. As a result, the Group's equity interest in ARF increased from 36.89% to 100%, making it a wholly-owned subsidiary.

On the same date, ARMF (Mauritius) Limited, a wholly-owned subsidiary of ARF divested 100% of the total issued share capital of Mallco Pte. Ltd. for a consideration of approximately $39.7 million to Frasers Property Gold Pte. Ltd., a related company of the Group.

From the date ARF became a subsidiary, ARF has contributed revenue of $171.8 million and profit for the period (excluding fair value change on investment properties) of $65.7 million to the Group. If the business combination had taken place at the beginning of the financial year, ARF's contribution to the Group's revenue and profit for the year (excluding fair value change on investment properties) would have been $186.9 million and $69.8 million respectively.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	2021 $'000
Cash	1,060,318
Total consideration transferred	1,060,318

Acquisition-related costs

The Group incurred acquisition-related costs of $25,318,000 on acquisition fee, legal fees and due diligence costs. These costs have been included in 'Expenses in relation to acquisitions of subsidiaries and an associate'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Note	$'000
Investment properties	4	3,065,000
Cash and cash equivalents		106,363
Trade and other receivables		48,451
Loans and borrowings		(1,406,470)
Derivative financial instruments		(1,732)
Trade and other payables		(95,856)
Provision for tax		(10,344)
Deferred tax liabilities	17	(4,587)
Total identifiable net assets		1,700,825
Less: Amounts previously accounted for as investment in associates	7	(629,037)
Net gain recognised on step acquisition		(11,470)
Consideration paid in cash		1,060,318
Proceeds from disposal of Mallco		(39,749)
Cash and cash equivalents of subsidiaries acquired		(106,363)
Distributions to former shareholders of ARF		11,744
Net cash outflow on acquisition of subsidiaries, net of cash and cash equivalents acquired		925,950

8. ACQUISITION OF SUBSIDIARIES (CONT'D)

Net gain recognised on step acquisition

Net gain arising from the acquisition has been recognised as follows:

	$'000
Total consideration transferred	1,060,318
Carrying amount of pre-existing interest in the acquiree	629,037
Fair value of identifiable net assets	(1,700,825)
Net gain recognised on step acquisition	11,470

9. INVESTMENT IN JOINT VENTURES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Unquoted equity investments, at cost	174,758	174,758	174,758	174,758
Share of post-acquisition reserves	6,963	3,571	–	–
Additions	113,810	–	113,810	–
	295,531	178,329	288,568	174,758
Allowance for impairment	(1,132)	(1,132)	(1,132)	(1,132)
	294,399	177,197	287,436	173,626
Loan to joint venture	–	113,810	–	113,810
	294,399	291,007	287,436	287,436

Loan to joint venture is unsecured and not expected to be repaid within the next twelve months. The loan bears effective interest rates between 1.019% and 1.240% (2020: between 1.053% and 2.529% per annum). During the financial year ended 30 September 2021, the loan to joint venture of $113,810,000 was converted to Redeemable Preference Units.

Details of the joint ventures are as follows:

Name of joint ventures	Place of incorporation/ business	Effective equity interest held by the Group and Trust 2021 %	2020 %
Changi City Carpark Operations LLP	Singapore	43.68	43.68
Sapphire Star Trust	Singapore	40.00	40.00
FC Retail Trustee Pte. Ltd.	Singapore	40.00	40.00

The Group has 43.68% interest in the ownership and voting rights in a joint venture, Changi City Carpark Operations LLP. This joint venture is incorporated in Singapore and is a strategic venture in the management and operation of car park in Changi City Point.

The Group has 40.00% interest in the ownership and voting rights in a joint venture, Sapphire Star Trust ("SST"), a private trust that owns Waterway Point, a suburban shopping mall located in Punggol. The Group jointly controls the venture with other partners under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

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9. INVESTMENT IN JOINT VENTURES (CONT'D)

No disclosure of fair value is made for the joint ventures as they are not quoted on any market.

The following summarised financial information relating to a material joint venture has not been adjusted for the percentage of ownership interest held by the Group.

	2021 $'000	2020 $'000
Assets and liabilities [1]		
Non-current assets	1,304,604	1,300,031
Current assets [a]	42,276	45,900
Total assets	1,346,880	1,345,931
Current liabilities [b]	38,467	608,625
Non-current liabilities [c]	580,151	302,959
Total liabilities	618,618	911,584
Results [2]		
Revenue	71,126	63,930
Expenses [d]	(34,362)	(39,317)
Revaluation (loss)/surplus	(1,127)	737
Total return for the period	35,637	25,350

(1) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 September 2021 and 30 September 2020, respectively.

(2) The "Results" is for the year ended 30 September 2021 and 30 September 2020, respectively.

(a) Includes cash and cash equivalents of $39,712,000 (2020: $41,600,000)

(b) Includes current bank borrowings of $Nil (2020: $572,817,000) as the bank borrowings had been refinanced in the current financial year.

(c) Includes non-current bank borrowings of $571,674,000 (2020: $Nil)

(d) Includes:

- depreciation of $9,000 (2020: $10,000)
- interest income $26,000 (2020: $202,000)
- interest expense $14,075,000 (2020: $20,620,000)

	2021 $'000	2020 $'000
Group's interest in joint ventures at beginning of the year	291,007	291,083
Group's share of:		
- Profit after taxation	16,886	11,200
- Other comprehensive income	2,598	(765)
Total comprehensive income	19,484	10,435
Investment during the year	–	68
Dividends received during the year	(16,092)	(10,579)
Carrying amount of interest at end of the year	294,399	291,007

10. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables	7,789	4,874	3,800	4,874
Allowance for doubtful receivables	(942)	(209)	(751)	(209)
Net trade receivables	6,847	4,665	3,049	4,665
Deposits	724	68	45	68
Prepayments	184	3,809	16	3,782
Amount due from subsidiaries (non-trade)	–	–	459,962	181,874
Amount due from related parties (non-trade)	20	6	–	6
Other receivables	1,220	1,074	133	1,074
Loan arrangement fees	–	64	–	64
	8,995	9,686	463,205	191,533

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Non-trade amounts due from subsidiaries and related parties are unsecured, interest-free and repayable on demand, except for non-trade amounts due from subsidiaries of $55,000,000 which bear interest at 1.196% per annum.

11. CASH AND CASH EQUIVALENTS

For purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the balance sheet date:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Cash at bank and on hand	42,234	28,583	14,661	27,958

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12. ASSET/LIABILITIES HELD FOR SALE

	Group and Trust	
	2021 $'000	2020 $'000
Investment property	–	108,000
Asset held for sale	–	108,000
Rental deposits	–	1,427
Liabilities held for sale	–	1,427

The carrying amount of the investment property held for sale as at 30 September 2020 was based on independent valuations undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd using the residual valuation method. The valuation method used in determining the fair value involved certain estimates including the gross development value per square foot and cost of construction per square foot. The specific risks inherent in the property were taken into consideration in arriving at the property valuation. The Manager reviewed the appropriateness of the valuation methodologies, assumptions and estimates adopted and was of the view that they are reflective of the market conditions as at 30 September 2020.

The fair value measurement had been categorised as a Level 3 fair value based on the inputs to the valuation technique used. The significant unobservable input included gross development value per square foot and cost of construction per square foot. An increase in the gross development value per square foot or a decrease in the cost of construction per square foot would result in a higher fair value.

On 9 November 2020, the disposal of Bedok Point was completed for a total consideration of $108 million.

13. TRADE AND OTHER PAYABLES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade payables and accrued operating expenses	41,246	24,084	21,890	24,110
Amounts due to related parties	22,539	11,123	18,232	11,120
Amounts due to subsidiaries (non-trade)	–	–	74,775	–
Deposits and advances	5,002	2,449	2,075	2,449
Interest payable	7,004	5,582	853	5,568
Other payables	52	37	15	37
Withholding tax	–	2	–	2
	75,843	43,277	117,840	43,286

Included in trade payables and accrued operating expenses is an amount due to the Trustee of $240,141 (2020: $99,566).

Included in amounts due to related parties are amounts due to the Manager of $14,568,342 (2020: $7,742,022) and the Property Manager of $7,844,302 (2020: $2,903,502) respectively. The amounts due to related parties are unsecured, interest free and payable within the next 3 months.

14. FINANCIAL DERIVATIVES

	Group and Trust	
	2021 $'000	2020 $'000
Derivative liabilities		
Interest rate swaps used for hedging		
– Current	1,281	466
– Non-current	1,855	6,901
	3,136	7,367
Financial derivatives as a percentage of net assets	0.08%	0.29%

The Group and the Trust entered into contracts to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to agreed notional amounts.

As at 30 September 2021, the Group and the Trust have nine (2020: seven) interest rate swap contracts with a total notional amount of $430 million (2020: $332 million). Under the contracts, the Group and the Trust pay fixed interest rate in the range of 0.450% to 1.905% (2020: 1.319% to 1.905%) per annum.

The fair value of the interest rate swaps is determined using the valuation technique as disclosed in Note 30(b).

As at 30 September 2021, where the interest rate swaps are designated as the hedging instruments in qualifying cash flow hedges, the effective portion of the changes in fair value of the interest rate swaps amounting to $2.72 million gain (net of tax) (2020: $5.30 million loss) was recognised in the hedging reserve. There was no ineffectiveness recognised from the hedge.

15. DEFERRED INCOME

	Group and Trust	
	2021 $'000	2020 $'000
Cost		
At beginning	2	31
Additions	–	–
Fully amortised	–	(29)
At end	2	2
Accumulated amortisation		
At beginning	1	29
Charge for the year	1	1
Fully amortised	–	(29)
At end	2	1
Net deferred income	–	1

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16. INTEREST-BEARING BORROWINGS

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Current liabilities				
Term loan (secured)	120,000	–	120,000	–
Term loan (unsecured)	–	80,000	–	80,000
Medium Term Notes (unsecured)	30,000	50,000	–	–
Loan from subsidiary (unsecured)	–	–	30,000	50,000
Short term loans (unsecured)	55,000	125,000	55,000	125,000
Less: Unamortised transaction costs	(173)	–	(173)	–
	204,827	255,000	204,827	255,000
Non-current liabilities				
Term loans (secured)	834,000	190,000	40,000	190,000
Term loan (unsecured)	506,000	510,000	239,000	319,000
Medium Term Notes (unsecured)	270,000	300,000	–	–
Loan from subsidiary (unsecured)	–	–	270,000	300,000
Less: Unamortised transaction costs	(5,911)	(2,692)	(1,269)	(1,836)
	1,604,089	997,308	547,731	807,164

As at 30 September 2021, secured bank loans and certain bank facilities are secured on the following:

- a mortgage over Changi City Point ("CCP"), Tiong Bahru Plaza ("TBP"), Tampines 1 ("T1"), Century Square ("CS") and White Sands ("WS") (2020: CCP and Anchorpoint ("ACP"));
- an assignment of the rights, benefits, title and interest of the respective entities in, under and arising out of the insurances effected in respect of CCP, TBP, T1, CS and WS (2020: CCP and ACP);
- an assignment and charge of the rights, benefits, title and interest of the respective entities in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with CCP, TBP, T1, CS and WS (2020: CCP and ACP); and
- a first fixed and floating charge over all present and future assets of the respective entities in connection with CCP, TBP, T1, CS and WS (2020: CCP and ACP).

The discharge of the collaterals for Tiong Bahru Plaza is in progress after the full repayment of the loan and cancellation of the facility on 24 September 2021.

Medium Term Notes (unsecured) Programme

On 7 May 2009, the Group through its subsidiary, FCT MTN Pte. Ltd. ("FCT MTN"), established a $500,000,000 Multicurrency Medium Term Note Programme ("FCT MTN Programme"). With effect from 14 August 2013, the maximum aggregate principal amount of notes that may be issued under the FCT MTN Programme was increased from $500,000,000 to $1,000,000,000. Under the FCT MTN Programme, FCT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "Notes") in Singapore dollars or any other currency. The Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates of interest. Hybrid notes or zero-coupon notes may also be issued under the FCT MTN Programme.

The Notes shall constitute direct, unconditional, unsubordinated and unsecured obligations of FCT MTN ranking pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of FCT MTN. All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by the Trustee.

16. INTEREST-BEARING BORROWINGS (CONT'D)

Medium Term Notes (unsecured) Programme (cont'd)

As at 30 September 2021, the aggregate balance of the Notes issued by the Group under the FCT MTN Programme amounted to $100 million (2020: $150 million), consisting of:

(i) $Nil million (2020: $50 million) Fixed Rate Notes which matured in June 2021 and bore a fixed interest rate of 2.760% per annum payable semi-annually in arrears;

(ii) $30 million (2020: $30 million) Fixed Rate Notes which mature in June 2022 and bear a fixed interest rate of 2.645% per annum payable semi-annually in arrear; and

(iii) $70 million (2020: $70 million) Fixed Rate Notes which mature in November 2024 and bear a fixed interest rate of 2.770% per annum payable semi-annually in arrears.

Multicurrency Debt (unsecured) Issuance Programme

On 8 February 2017, the Group established a $3 billion Multicurrency Debt Issuance Programme ("Debt Issuance Programme"). Under the Debt Issuance Programme, the Issuers may, subject to compliance with all relevant laws, regulations and directives from time to time, issue notes (the "Notes") and perpetual securities (the "Perpetual Securities", and together with the Notes, the "Securities") in Singapore dollars or any other currency as may be agreed between the relevant dealers of the Programme and the Issuers.

Each series or tranche of Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates as may be agreed between the relevant dealers of the Debt Issuance Programme and the relevant Issuer or may not bear interest. The Notes and the coupons of all series shall constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

As at 30 September 2021, $200 million (2020: $200 million) Fixed Rate Notes which mature in May 2023 and bear a fixed rate interest rate of 3.200% per annum payable semi-annually in arrears has been issued under this programme.

Terms and debt repayment schedule

		Group		Trust	
	Year of maturity	Face value $'000	Carrying value $'000	Face value $'000	Carrying value $'000
2021					
Term loan	2022 - 2026	1,460,000	1,454,193	399,000	397,835
Medium Term Notes	2022 - 2024	300,000	299,792	–	–
Loan from subsidiary	2022 - 2024	–	–	300,000	299,792
Short term loans	2022	55,000	54,931	55,000	54,931
		1,815,000	1,808,916	754,000	752,558
2020					
Term loan	2021 - 2024	780,000	777,631	589,000	587,487
Medium Term Notes	2021 - 2024	350,000	349,677	–	–
Loan from subsidiary	2021 - 2024	–	–	350,000	349,677
Short term loans	2020	125,000	125,000	125,000	125,000
		1,255,000	1,252,308	1,064,000	1,062,164

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16. INTEREST-BEARING BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities			
	Interest-bearing borrowings $'000	Interest payable $'000	Derivative liabilities $'000	Total $'000
Group				
Balance at 1 October 2019	1,039,805	5,084	975	1,045,864
Changes from financing cash flows				
Proceeds from borrowings	793,000	–	–	793,000
Repayment of borrowings	(580,083)	–	–	(580,083)
Borrowing costs paid	–	(25,755)	–	(25,755)
Payment of transaction costs	(1,254)	–	–	(1,254)
Total changes from financing cash flows	211,663	(25,755)	–	185,908
Change in fair value	–	–	6,392	6,392
Liability-related other changes				
Borrowing costs	–	26,253	–	26,253
Amortisation of loan arrangement fees	840	–	–	840
Total liability-related other changes	840	26,253	–	27,093
Balance at 30 September 2020	1,252,308	5,582	7,367	1,265,257
Balance at 1 October 2020	1,252,308	5,582	7,367	1,265,257
Changes from financing cash flows				
Proceeds from borrowings	636,620	–	–	636,620
Repayment of borrowings	(1,487,240)	–	–	(1,487,240)
Borrowing costs paid	–	(41,960)	–	(41,960)
Payment of financing expenses	(2,395)	–	–	(2,395)
Total changes from financing cash flows	(853,015)	(41,960)	–	(894,975)
Change in fair value	–	–	(5,963)	(5,963)
Liability-related other changes				
Acquisition of subsidiaries	1,406,470	661	1,732	1,408,863
Borrowing costs	–	42,721	–	42,721
Amortisation of loan arrangement fees	3,153	–	–	3,153
Total liability-related other changes	1,409,623	43,382	1,732	1,454,737
Balance at 30 September 2021	1,808,916	7,004	3,136	1,819,056

17. DEFERRED TAX LIABILITIES

	At 1 October 2020 $'000	Acquisition of subsidiaries (Note 8) $'000	Recognised in the statements of total return (Note 27) $'000	Recognised in hedging reserve (Note 19) $'000	At 30 September 2021 $'000
Group					
Investment properties	–	4,882	1,758	–	6,640
Interest rate swaps	–	(295)	–	295	–
	–	4,587	1,758	295	6,640

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18. TRANSLATION RESERVE

The translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group	
	2021 $'000	2020 $'000
At beginning	18,999	18,829
Net effect of exchange loss arising from translation of financial statements of foreign associate	1,062	170
Net effect of exchange loss arising from translation of financial statements of foreign subsidiaries	16	–
At end	20,077	18,999

19. HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At beginning	5,330	33	4,642	–
Net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss	(3,017)	5,297	(2,534)	4,642
Related tax (Note 17)	295	–	–	–
At end	2,608	5,330	2,108	4,642

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20. UNITS IN ISSUE

	Group and Trust	
	2021 No. of Units '000	2020 No. of Units '000
Units in issue		
At beginning	1,119,447	1,116,284
Issue of Units		
– private placement and preferential offering	569,321	–
– issued as satisfaction of asset management fees	2,037	2,336
– issued as satisfaction of acquisition and divestment fee	8,463	827
At end	1,699,268	1,119,447
Units to be issued		
– as asset management fees payable in Units	1,591	883
Total issued and issuable Units at end	1,700,859	1,120,330

Each Unit represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the rights to:

- receive income and other distributions attributable to the Units held;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any assets (or part thereof) of the Trust;
- attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- one vote per Unit.

The restrictions of a Unitholder include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to redeem his Units while the Units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

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21. NET ASSET VALUE ("NAV") PER UNIT

	Group		Trust	
	2021	2020	2021	2020
NAV per Unit is based on:				
Net assets ($'000)	3,918,808	2,538,276	3,794,254	2,462,726
Total issued and issuable Units ('000) (Note 20)	1,700,859	1,120,330	1,700,859	1,120,330

22. GROSS REVENUE

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Gross rental income	311,447	147,190	153,949	147,190
Turnover rental income	15,218	7,824	8,773	7,824
Carpark income	5,120	3,007	2,811	3,007
Others	9,364	6,356	3,947	6,356
	341,149	164,377	169,480	164,377

Gross rental income

The Group and the Trust have granted rental relief to a number of its tenants in light of challenges arising from COVID-19. Each rental relief request has been reviewed and considered on a case-by-case basis.

23. PROPERTY EXPENSES

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Property tax	32,028	18,159	16,115	18,159
Maintenance and utilities	27,106	16,534	13,918	16,534
Property management fees	13,241	6,184	6,664	6,184
Staff costs [(1)]	12,890	7,250	6,241	7,250
Marketing expenses	5,588	4,340	2,778	4,340
Net allowance for doubtful receivables	601	198	588	198
Depreciation of fixed assets	58	56	58	56
Fixed assets write off	37	6	37	6
Others	3,033	762	1,433	762
	94,582	53,489	47,832	53,489

(1) Relates to reimbursement of staff costs paid/payable to the Property Manager.

The Group and the Trust do not have any employees.

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24. OTHER INCOME

Other income of the Group and Trust include the following:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Government grant income	4,819	18,533	3,607	18,533
Government grant expense	(4,819)	(18,533)	(3,607)	(18,533)

25. BORROWING COSTS

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Interest expense	42,721	26,256	18,748	22,438
Amortisation of loan arrangement fees	3,217	1,347	1,058	1,060
	45,938	27,603	19,806	23,498

26. ASSET MANAGEMENT FEES

Asset management fees comprise $18,898,000 (2020: $11,936,000) of base fee and $13,491,000 (2020: $6,494,000) of performance fee computed in accordance with the fee structure as disclosed in Note 1.2 to the financial statements.

An aggregate of 2,745,397 (2020: 1,994,085) units were issued or are issuable to the Manager as satisfaction of the asset management fees payable for the financial year ended 30 September 2021.

27. TAXATION

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Current tax expense				
Current year	1,835	82	–	–
Under provision in prior years	16	–	–	–
	1,851	82	–	–
Deferred tax expense				
Origination and reversal of temporary differences	1,849	–	–	–
Over provision in prior years	(91)	–	–	–
	1,758	–	–	–
Total taxation	3,609	82	–	–
Reconciliation of effective tax				
Total return before tax	172,242	151,758	121,903	91,120
Income tax using Singapore tax rate of 17% (2020: 17%)	29,282	25,799	20,724	15,490
Effects of different tax rates in foreign jurisdictions	(193)	–	–	–
Expenses not deductible	8,405	3,734	8,436	2,325
Income exempt from tax	–	–	(4,100)	(2,301)
Income not subject to tax	(2,950)	(14,558)	(1,828)	(621)
Tax transparency	(30,860)	(14,893)	(23,232)	(14,893)
Over provision in prior years	(75)	–	–	–
	3,609	82	–	–

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28. EARNINGS PER UNIT

(i) Basic earnings per Unit

The calculation of basic earnings per Unit is based on the weighted average number of Units during the year and total return for the year.

	Group		Trust	
	2021	2020	2021	2020
Total return for the year after tax ($'000)	168,633	151,676	121,903	91,120
Weighted average number of Units in issue ('000)	1,670,234	1,118,086	1,670,234	1,118,086

(ii) Diluted earnings per Unit

In calculating diluted earnings per unit, the total return for the year and weighted average number of Units outstanding are adjusted for the effect of all dilutive potential units, as set out below:

	Group		Trust	
	2021	2020	2021	2020
Total return for year after tax ($'000)	168,633	151,676	121,903	91,120
Weighted average number of Units in issue ('000)	1,672,391	1,119,618	1,672,391	1,119,618

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, other than the transactions disclosed in the financial statements, the following related party transactions were carried out in the normal course of business on arm's length commercial terms:

	Group	
	2021 $'000	2020 $'000
Related Corporations		
Property management fees, project management fee, service fees and reimbursement of expenses paid/payable to the Property Manager [1]	35,485	16,231
Acquisition fees paid in units to the Manager	19,344	1,972
Divestment fees paid to the Manager	2,190	–
Reimbursement of expenses paid/payable to the Manager	22	28
Acquisition of investment in a joint venture from a related company of the Manager	–	68
Reimbursement of expenses/capital expenditure paid/payable to related companies of the Manager	1,058	418
Recovery of expenses paid on behalf of related companies of the Manager	(250)	(132)
Income from related companies of the Manager	(266)	(190)
Purchase of services from a related company of the Manager	201	41
Reimbursement of carpark income received on behalf of a related company of the Manager	1,714	1,578
Net carpark expenses paid/payable to the Property Manager	2	89

(1) In accordance with service agreements in relation to management of the Trust and its property operations.

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29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

	Group	
	2021 $'000	2020 $'000
Joint Ventures		
Interest income received/receivable from a Joint Venture	(801)	(2,211)
Car park expenses paid/payable to a Joint Venture	35	27

30. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Liabilities measured at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group and Trust				
At 30 September 2021				
Financial liabilities				
Interest rate swaps	–	3,136	–	3,136
At 30 September 2020				
Financial liabilities				
Interest rate swaps	–	7,367	–	7,367

During the financial years ended 30 September 2021 and 30 September 2020, there have been no transfers between the respective levels.

(b) Level 2 fair value measurements

Interest rate swap contracts are valued using present value calculations by applying market observable inputs existing at each reporting date into swap models. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

(c) Fair value of financial liabilities that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair values

The following fair values, which are determined for disclosure purposes, are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending or borrowing arrangements at the reporting date:

	2021		2020	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Group				
Financial liabilities				
Interest-bearing borrowings (non-current)	1,604,089	1,674,893	997,308	1,011,974
Security deposits (non-current)	45,207	44,178	23,813	23,422
	1,649,296	1,719,071	1,021,121	1,035,396
Trust				
Financial liabilities				
Interest-bearing borrowings (non-current)	547,731	567,332	807,164	817,707
Security deposits (non-current)	19,995	19,527	23,813	23,422
	567,726	586,859	830,977	841,129

30. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Fair value of financial assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables, current portion of security deposits and current portion of interest-bearing borrowings) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

31. FINANCIAL RISK MANAGEMENT

(a) Capital risk management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy capital structure in order to support its business and maximise Unitholder value.

The Group is subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS Code. The CIS Code stipulates that borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 50.0% of the fund's depository property before 1 January 2022 and on or after 1 January 2022, should not exceed 45.0% of the fund's depository property.

As at 30 September 2021, the Group's Aggregate Leverage stood at 33.3% (2020: 35.9%) of its depository property, which is within the limit set by the Property Fund Guidelines and externally imposed capital requirements. The Trust has affirmed its corporate ratings of "BBB" from S&P Global Ratings and "Baa2" from Moody's Investors Service.

(b) Financial risk management objectives and policies

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Group's business. The Manager continually monitors the Group's exposure to the above risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risks.

(i) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Manager has established credit limits for tenants and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants. Credit risk is also mitigated by the security deposits held for each of the tenants. In addition, receivables are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Trade receivables

The Manager has established an allowance account for impairment that represents its estimate of losses in respect of trade receivables due from specific customers. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheets. At the reporting date, approximately 31.1% (2020: 19.5%) of the Group's trade receivables were due from 5 tenants who are reputable companies located in Singapore.

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual tenants, which comprise a very large number of tenants.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off based on actual credit loss experience over the last three years.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables (cont'd)

Trade receivables that are past due but not impaired

The Group and the Trust have trade receivables amounting to $6,847,000 (2020: $4,665,000) and $3,049,000 (2020: $4,665,000) respectively that are past due at the balance sheet date but not impaired. The aging of receivables at the balance sheet date is as follows:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables past due but not impaired:				
Less than 30 days	5,061	2,271	2,428	2,271
30 to 60 days	1,276	1,767	421	1,767
61 to 90 days	139	*	12	*
91 to 120 days	302	479	144	479
More than 120 days	69	148	44	148
	6,847	4,665	3,049	4,665

* Denotes amount less than $500

Trade receivables that are impaired

Trade receivables of the Group and the Trust that are impaired at the reporting date and the movements of the allowance account used to record the impairment are as follows:

	Group		Trust	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables	942	209	751	209
Allowance for doubtful receivables	(942)	(209)	(751)	(209)
	–	–	–	–
Movement in allowance account:				
At beginning of the year	209	11	209	11
Acquisition of subsidiaries (Note 8)	217	–	–	–
Net allowance for doubtful receivables	601	198	588	198
Write-off of allowance for doubtful receivables against provision	(85)	–	(46)	–
At end of the year	942	209	751	209

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant difficulties and have defaulted on payments. The allowance for impairment recorded in relation to these receivables represents the amount in excess of the security deposits held as collateral.

Based on the Group's historical experience of the collection of trade receivables, the Manager believes that there is no additional credit risk beyond those which have been provided for.

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Deposits and other receivables

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the short maturity and low credit risks of the exposure. The amount of the allowance on these balances is insignificant.

Amount due from related parties and subsidiaries

Outstanding balances with related party are unsecured and repayable on demand. ECL is assessed from estimated cash flows recoverable from the related parties and subsidiaries based on the review of their financial strength as at the reporting date. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

Cash and cash equivalents

Cash is placed with financial institutions which are regulated. The maximum exposure to credit risk is represented by the carrying value on the balance sheets. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposure. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Trust's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Trust's exposure to interest rate risk is in respect of debt obligations with financial institutions.

The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate debts with varying tenors. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. To manage this mix in a cost-efficient manner, the Group uses hedging instruments such as interest rate swaps to minimise its exposure to interest rate volatility.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

The Group assesses whether the derivative designated in each hedge relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the critical terms method, dollar offset method or regression method.

Hedge ineffectiveness may occur due to changes in the critical terms of either the interest rate swaps or borrowings.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Managing interest rate benchmark reform and associated risks

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("IBORs") with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Group's main IBOR exposure at the reporting date is S$ Singapore swap offer rate ("SOR"). The alternative reference rate is Singapore Overnight Rate Average ("SORA").

The Group anticipates that IBOR reform will impact its risk management processes and hedge accounting. The main risks to which the Group is exposed as a result of IBOR reform are operational. For example, renegotiating borrowing contracts through bilateral negotiation with counterparties, implementing new fallback clauses with its derivative counterparties, updating contractual terms and revising operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

The Group monitors and manages the transition to alternative rates. The Group evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of non-derivative financial liability contracts and derivative contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract').

Non-Derivative Financial Liabilities

The Group has floating-rate liabilities indexed to SOR. There has been no modifications to the financial liabilities during the years ended 30 September 2020 and 30 September 2021 as a result of IBOR reform. The Group is in discussions with the counterparties of the financial liabilities to amend the contractual terms in response to IBOR reform.

The following table shows the total amounts of the unreformed non-derivative financial liabilities at 1 October 2020 and at 30 September 2021. The amounts shown in the table are the carrying amounts.

	SOR Total amount of unreformed contracts $'000
Group	
30 September 2021	
Interest-bearing borrowings	1,219,716
1 October 2020	
Interest-bearing borrowings	902,631
Trust	
30 September 2021	
Interest-bearing borrowings	452,766
1 October 2020	
Interest-bearing borrowings	712,487

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Derivatives

The Group holds interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to SOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association ("ISDA")'s master agreements. The Group is currently in discussions with counterparties of respective contracts. No derivative instruments have been modified as at 30 September 2021.

ISDA has reviewed its definitions in light of IBOR reform and issued an IBOR fallbacks supplement on 23 October 2020, which became effective on 25 January 2021. This sets out how the amendments to new alternative benchmark rates (e.g. SORA) in the 2006 ISDA definitions will be accomplished. The effect of the supplement is to create fallback provisions in derivatives that describe what floating rates will apply on the permanent discontinuation of certain key IBORs or on ISDA declaring a non-representative determination of an IBOR. The Group has adhered to the protocol to implement the fallbacks to derivative contracts that were entered into before the effective date of the supplement. If derivative counterparties also adhere to the protocol, then new fallbacks will be automatically implemented in existing derivative contracts when the supplement became effective – i.e. on 25 January 2021. From that date, all new derivatives that reference the ISDA definitions will also include the fallbacks. Consequently, the Group is monitoring whether its counterparties will also adhere to the protocol and, if there are counterparties that will not, then the Group plans to negotiate with them bilaterally.

The following table shows the amounts of unreformed derivative instruments and amounts that include appropriate fallback language at 1 October 2020 and at 30 September 2021. For interest rate swaps, the Group used the notional amount of the receive leg of the swap. The Group expects both legs of interest rate swaps to be reformed simultaneously.

	SOR	
	Total amount of unreformed contracts $'000	Amount with appropriate fallback clause $'000
Group		
30 September 2021		
Interest rate swaps	430,000	430,000
1 October 2020		
Interest rate swaps	332,000	332,000
Trust		
30 September 2021		
Interest rate swaps	430,000	430,000
1 October 2020		
Interest rate swaps	332,000	332,000

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Hedge accounting

The Group has evaluated the extent to which its hedging relationships are subject to uncertainty driven by IBOR reform as at 30 September 2021. The Group's hedged items and hedging instruments continue to be indexed to IBOR benchmark rate which is SOR.

The Group's SOR hedging relationships extend beyond the anticipated cessation date for IBOR. The Group applies the amendments to FRS 109 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness.

Sensitivity analysis for interest rate risk

It is estimated that every 100 basis points increase in interest rate at the reporting date, with all other variables held constant, would increase the Group's total return and Unitholders' funds and reserves by approximately $202,000 (2020: $802,000) and $4,294,000 (2020: $4,719,000) respectively and every 100 basis points decrease in interest rate, with all other variables held constant, would decrease the Group's total return and Unitholders' funds and reserves by approximately $203,000 (2020: $824,000) and $4,363,000 (2020: $4,882,000) respectively, arising mainly as a result of change in the fair value of interest rate swap instruments. On outstanding borrowings not covered by financial derivatives at the reporting date, it is estimated that every 100 basis points increase in interest rate, with all other variables held constant, would decrease the Group's total return for the year by approximately $7,950,000 (2020: $5,730,000) and every 100 basis points decrease in interest rate, with all other variables held constant, would increase the Group's total return for the year by approximately $7,950,000 (2020: $5,730,000), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's objective is to maintain sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. In addition, the Manager monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings.

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities at the reporting date based on contractual undiscounted payments.

	Within 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
As at 30 September 2021				
Group				
Trade and other payables	75,843	–	–	75,843
Derivative financial instruments	3,170	375	–	3,545
Security deposits	38,981	44,859	348	84,188
Interest-bearing borrowings	239,285	1,589,678	83,549	1,912,512
	357,279	1,634,912	83,897	2,076,088
Trust				
Trade and other payables	117,840	–	–	117,840
Derivative financial instruments	3,170	375	–	3,545
Security deposits	13,288	19,995	–	33,283
Interest-bearing borrowings	217,843	571,822	–	789,665
	352,141	592,192	–	944,333
As at 30 September 2020				
Group				
Trade and other payables	43,277	–	–	43,277
Derivative financial instruments	4,187	3,605	–	7,792
Security deposits	16,708	23,788	25	40,521
Interest-bearing borrowings	271,281	1,026,669	–	1,297,950
	335,453	1,054,062	25	1,389,540
Trust				
Trade and other payables	43,286	–	–	43,286
Derivative financial instruments	4,187	3,605	–	7,792
Security deposits	16,708	23,788	25	40,521
Interest-bearing borrowings	269,652	832,401	–	1,102,053
	333,833	859,794	25	1,193,652

Notes to the Financial Statements

30 September 2021

32. SEGMENT REPORTING

Business segments

The Group is in the business of investing in shopping malls and an office building, which are considered to be the main business segments.

Following completion of the acquisition of the balance 63.11% stake in ARF on 27 October 2020 and disposal of Bedok Point, Anchorpoint and YewTee Point during the year ended 30 September 2021, the Group's portfolio as of 30 September 2021 comprises:-

1. Causeway Point;
2. Northpoint City North Wing;
3. Yishun 10 Retail Podium;
4. Changi City Point;
5. Tampines 1;
6. Tiong Bahru Plaza;
7. Century Square;
8. Hougang Mall;
9. White Sands; and
10. Central Plaza.

The Manager monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is presented in respect of the Group's business segments, based on its management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets, interest-bearing borrowings and their related revenue and expenses.

Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year.

Geographical segments

The Group's operations are primarily in Singapore except for its associate, H-REIT for which operations are in Malaysia.

32. SEGMENT REPORTING (CONT'D)

(a) Business segments

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
2021			
Revenue and expenses			
Gross rental income	75,180	46,707	19,808
Others	7,403	4,130	2,585
Gross revenue	82,583	50,837	22,393
Segment net property income	60,905	37,743	13,435
Interest income	–	–	–
Unallocated interest income			
Other income			
Interest income from joint venture			
Non-property expenses	–	–	–
Interest expenses	–	–	–
Unallocated expenses ***			
– Interest expenses			
– Non-property expenses			
Net income			
Gain from fair valuation of derivatives			
Share of results of associates			
Share of results of joint ventures			
Expenses in relation to acquisitions of subsidiaries and an associate			
Surplus/(loss) on revaluation of investment properties	1,700	(2,226)	(13,159)
Impairment loss on investment in associate			
Net gain on step acquisition			
Net foreign exchange loss			
Gain on disposal of investment properties			
Total return before tax			
Taxation	–	–	–
Unallocated taxation			
Total return for the year			

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

*** Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.

Notes to the Financial Statements

30 September 2021

Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
34,412	23,225	24,130	37,649	10,836	27,246	12,254	311,447
1,856	2,223	2,509	3,815	62	3,705	1,414	29,702
36,268	25,448	26,639	41,464	10,898	30,951	13,668	341,149
27,081	17,876	18,255	29,796	7,550	24,360	9,566	246,567
17	13	5	8	6	8	–	57
							62
							341
							801
(145)	(102)	(174)	(124)	(135)	(3,221)	–	(3,901)
(2,765)	(1,765)	(3,723)	(9,969)	(2,462)	(2,918)	–	(23,602)
							(22,336)
							(32,208)
							165,781
							2,948
							(1,386)
							16,886
							(25,318)
(50)	68	(294)	(879)	(99)	1,666	9,975	(3,298)
							(11,976)
							11,470
							(21)
							17,156
							172,242
(37)	(21)	(21)	(37)	(4)	(3,352)	–	(3,472)
							(137)
							168,633

32. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
2020			
Revenue and expenses			
Gross rental income	65,930	40,375	18,855
Others	7,307	4,021	2,879
Gross revenue	73,237	44,396	21,734
Segment net property income	52,929	31,531	13,103
Interest income			
Other income			
Interest income from joint venture			
Unallocated expenses ***			
– Interest expenses			
– Non-property expenses			
Net income			
Loss from fair valuation of derivatives			
Share of results of associates			
Share of results of joint ventures			
Expenses in relation to acquisitions of subsidiaries and an associate			
(Loss)/surplus on revaluation of investment properties	(157)	(2,619)	(3,882)
Total return before tax			
Taxation			
Total return for the year			

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

*** Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.

Notes to the Financial Statements

30 September 2021

Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
–	–	–	–	–	–	22,030	147,190
–	–	–	–	–	–	2,980	17,187
–	–	–	–	–	–	25,010	164,377
–	–	–	–	–	–	13,325	110,888
							14
							586
							2,211
							(27,603)
							(20,689)
							65,407
							(1,095)
							75,280
							11,200
							(3,781)
–	–	–	–	–	–	11,405	4,747
							151,758
							(82)
							151,676

Notes to the Financial Statements

30 September 2021

32. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
As at 30 September 2021			
Assets and liabilities			
Segment assets	1,316,081	807,852	328,383
Investment in associates			
Investment in joint ventures			
Unallocated assets			
Total assets			
Segment liabilities	28,011	17,794	9,429
Provision for taxation	–	–	–
Deferred tax liabilities	–	–	–
Interest-bearing borrowings	–	–	–
Unallocated liabilities			
– Trade and other payables			
– Provision for taxation			
– Financial derivatives			
– Interest-bearing borrowings			
Total liabilities			
Other segmental information			
Net allowance/(written back) for doubtful receivables	707	(110)	(1)
Amortisation of lease incentives	51	(210)	108
Depreciation of fixed assets	26	9	18
Fixed assets write off	–	–	–
Capital expenditure			
– Investment properties	5,351	17	266
– Fixed assets	7	–	30

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

Notes to the Financial Statements

30 September 2021

Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
659,198	431,340	436,383	767,702	219,191	579,642	1,430	5,547,202
							46,494
							294,399
							10,702
							5,898,797
14,216	11,274	11,191	23,192	4,109	14,827	427	134,470
82	51	62	64	11	1,122	–	1,392
–	–	–	–	–	6,640	–	6,640
55,000	176,171	74,681	352,145	–	262,931	–	920,928
							25,561
							(126)
							3,136
							887,988
							1,979,989
(18)	(6)	17	116	–	(96)	(8)	601
216	69	(118)	(195)	(67)	1,728	–	1,582
–	–	–	–	–	–	5	58
–	–	–	–	–	–	37	37
267	–	176	684	32	61	26	6,880
–	–	–	–	–	–	4	41

Notes to the Financial Statements

30 September 2021

32. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Changi City Point $'000
As at 30 September 2020			
Assets and liabilities			
Segment assets	1,314,593	814,861	343,502
Investment in associates			
Investment in joint ventures			
Loan to joint venture			
Unallocated assets			
Total assets			
Segment liabilities	26,769	18,085	9,864
Unallocated liabilities			
- Trade and other payables			
- Provision for taxation			
- Financial derivatives			
- Interest-bearing borrowings			
Total liabilities			
Other segmental information			
Net allowance for doubtful receivables	48	118	26
Amortisation of lease incentives	(127)	1,136	442
Depreciation of fixed assets	12	8	11
Fixed assets write off	-	1	-
Capital expenditure			
- Investment properties	7,030	755	324
- Fixed assets	92	40	53

* Other investment properties comprise Bedok Point (until its divestment on 9 November 2020), Anchorpoint (until its divestment on 22 March 2021), and YewTee Point (until its divestment on 28 May 2021).

** These properties were included in the Group's portfolio following the acquisition of the balance 63.11% stake in ARF on 27 October 2020.

Notes to the Financial Statements

30 September 2021

Tiong Bahru Plaza ** $'000	White Sands ** $'000	Hougang Mall ** $'000	Tampines 1 ** $'000	Central Plaza ** $'000	Century Square ** $'000	Other investment properties * $'000	Group $'000
–	–	–	–	–	–	415,527	2,888,483
							696,406
							177,197
							113,810
							7,515
							3,883,411
–	–	–	–	–	–	11,758	66,476
							18,898
							86
							7,367
							1,252,308
							1,345,135
–	–	–	–	–	–	6	198
–	–	–	–	–	–	(15)	1,436
–	–	–	–	–	–	25	56
–	–	–	–	–	–	5	6
–	–	–	–	–	–	80	8,189
–	–	–	–	–	–	21	206

Notes to the Financial Statements

30 September 2021

33. COMMITMENTS

	Group		Trust	
	2021	2020	2021	2020
Capital expenditure contracted but not provided for	1,383	5,457	931	5,457

34. CONTINGENT LIABILITY

Pursuant to the tax transparency ruling from the IRAS, the Trustee and the Manager have provided a tax indemnity for certain types of tax losses, including unrecovered late payment penalties, that may be suffered by the IRAS should the IRAS fail to recover from Unitholders tax due or payable on distributions made to them without deduction of tax, subject to the indemnity amount agreed with the IRAS. The amount of indemnity, as agreed with the IRAS, is limited to the higher of $500,000 or 1.0% of the taxable income of the Trust each year. Each yearly indemnity has a validity period of the earlier of seven years from the relevant year of assessment and three years from the termination of the Trust.

35. LEASES

Leases as lessor

The Group leases out its investment property consisting of its owned retail properties as well as leased property (Note 4). All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease, which the Group has classified as a finance sub-lease.

Operating lease

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Portfolio Statements set out information about the operating leases of investment property.

Rental income from investment properties recognised by the Group during 2021 was $311,447,000 (2020: $147,190,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2021 $'000	2020 $'000
Operating leases under FRS 116		
Less than one year	274,730	140,913
One to two years	170,520	87,181
Two to three years	79,191	33,943
Three to four years	10,438	3,692
Four to five years	3,833	944
More than five years	2,033	1,841
Total	540,745	268,514

Notes to the Financial Statements

30 September 2021

36. FINANCIAL RATIOS

The following financial ratios are presented as required by RAP 7:

	Group	
	2021 %	2020 %
Expenses to weighted average net assets [1]:		
– including performance component of asset management fees	0.58	0.57
– excluding performance component of asset management fees	0.93	0.84
Portfolio turnover rate [2]	11.28	–

(1) The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses, interest expense and taxation.

(2) The annualised ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

37. SUBSEQUENT EVENTS

On 27 October 2021, the Manager declared a distribution of $103,565,000 (or 6.089 cents per unit) to Unitholders in respect of the period from 1 April 2021 to 30 September 2021.

On 29 October 2021, the Trust issued 1,590,893 new units issued at a price of $2.28 per Unit as payment of the following:-

- 20% of the performance fee component of its management fee for the period from 1 October 2020 to 31 December 2020;
- 20% of the performance fee component of its management fee for the period from 1 January 2021 to 31 March 2021;
- 20% of the performance fee component of its management fee for the period from 1 April 2021 to 30 June 2021; and
- 20% of the base fee component and performance fee component of its management fee for the period from 1 July 2021 to 30 September 2021.

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REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Frasers Centrepoint Trust (the "Trust") and its subsidiaries (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Frasers Centrepoint Asset Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 5 June 2006 (as amended by a first supplemental deed dated 4 October 2006, a first amending and restating deed dated 7 May 2009, a second supplemental deed dated 22 January 2010, a third supplemental deed dated 17 December 2015, a fourth supplemental deed dated 19 January 2017 and a fifth supplemental deed dated 24 January 2018) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements set out on pages 145 to 211, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
23 November 2020

STATEMENT BY THE MANAGER

In the opinion of the directors of Frasers Centrepoint Asset Management Ltd., the accompanying financial statements set out on pages 145 to 211, comprising the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet and portfolio statement of the Trust as at 30 September 2020, and the consolidated statement of total return, consolidated distribution statement, consolidated statement of movement in unitholders' funds and reserves and consolidated cash flow statement of the Group and the statement of total return, distribution statement, statement of movements in unitholders' funds and reserves of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies are drawn up so as to present fairly, in all material respects, the consolidated financial position and the portfolio statement of the Group and the financial position and the portfolio statement of the Trust as at 30 September 2020, the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and reserves and consolidated cash flows of the Group and the total return, distributable income, movements in unitholders' funds and reserves of the Trust for the year then ended, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
Frasers Centrepoint Asset Management Ltd.

Dr Cheong Choong Kong
Director

Low Chee Wah
Director

Singapore
23 November 2020

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INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS
FRASERS CENTREPOINT TRUST
(CONSTITUTED UNDER A TRUST DEED (AS AMENDED) IN THE REPUBLIC OF SINGAPORE)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Frasers Centrepoint Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet and portfolio statement of the Trust as at 30 September 2020, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and reserves and consolidated cash flow statement of the Group and the statement of total return, distribution statement and statement of movements in unitholders' funds and reserves of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 145 to 211.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet, statement of total return, distribution statement and statement of movements in unitholders' funds and reserves of the Trust present fairly, in all material respects, the consolidated financial position and the consolidated portfolio holdings of the Group and the financial position and the portfolio holdings of the Trust as at 30 September 2020 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and reserves and consolidated cash flows of the Group and the total return, distributable income and movements in unitholders' funds and reserves of the Trust for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 ("RAP 7") *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants (the "ISCA").

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS
FRASERS CENTREPOINT TRUST
(CONSTITUTED UNDER A TRUST DEED (AS AMENDED) IN THE REPUBLIC OF SINGAPORE)

Valuation of investment properties
(Refer to Portfolio Statement and Note 4 to the financial statements)

Risk

The Group and the Trust own suburban retail malls located all around Singapore. These malls, classified as investment properties, are all located within close proximity to Mass Rapid Transit stations and bus interchanges in populated residential areas. As at 30 September 2020, the investment properties, with carrying amount of $2.75 billion (2019: $2.85 billion), and asset held for sale, with carrying amount of $108 million (2019: Nil) , represent the single largest asset category on the consolidated balance sheet of the Group and balance sheet of the Trust.

The investment properties are stated at their fair values based on independent external valuations. The valuation process is considered a key audit matter because it involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to key assumptions applied in deriving future cash flows, the capitalisation rates, discount rates and terminal yield rates; where a change in the assumptions can have a significant impact to the valuation.

The valuation reports obtained from the external valuers also highlighted that given the unprecedented set of circumstances on which to base a judgement, less certainty and a higher degree of caution, should be attached to their valuations than would normally be the case. Due to the unknown future impact of the 2019 Novel Coronavirus ("COVID-19") pandemic might have on the real estate market, the external valuers have also recommended to keep the valuation of these properties under frequent review.

Our response

We evaluated the qualifications and competence of the external valuers and held discussions with the external valuers to understand their valuation methods and assumptions and basis used, where appropriate.

We considered the valuation methodologies used against those applied by other valuers for similar property types. We tested the integrity of inputs of the projected cashflows used in the valuation to supporting leases and other documents. We evaluated the appropriateness of the discount, capitalisation and terminal yield rates used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the external valuers. We also discussed with Manager and the external valuers to understand how they have considered the implications of COVID-19 and market uncertainty in the valuations.

Our findings

We found the external valuers to be objective and competent. The external valuers are members of generally-recognised professional bodies for valuers. The valuation methodologies used are in line with generally accepted market practices and the key assumptions used are within the range of market data.

Accounting of acquisitions
(Refer to Note 7 to the financial statements)

Risk

The Group makes acquisitions as part of its business strategy. For the financial year ended 30 September 2020, the Group acquired an additional 12.07% stake in AsiaRetail Fund Limited ("ARF") for an aggregate considerations of $197.2 million.

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INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS
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Such transactions can be complex and judgement is involved in determining whether each transaction is a business combination or an acquisition of an asset, with different accounting treatment applicable. In accounting for a business combination, judgements are applied and there exist inherent uncertainty in estimating the fair value of the identified assets and liabilities that make up the acquisition; and allocating the overall purchase price to those identified assets and liabilities, with any excess or shortfall being recognised as goodwill on the balance sheet or a bargain purchase in the statements of total return respectively.

The assessment of this judgement is a key focus area of our audit.

Our response

We have assessed the accounting of the acquisitions by examining legal and contractual documents to determine whether these acquisitions are business combinations or the acquisition of assets.

When an acquisition is determined to be a business combination, we read the purchase price allocation report and assessed the allocation of the purchase price to significant identified assets and liabilities acquired. We compared the methodologies and key assumptions used in deriving the significant allocated values to generally accepted market practices and market data.

Our findings

The additional acquisition in ARF has been appropriately accounted for as a business combination. The methods and assumptions used in estimating the fair values of significant identified assets and liabilities and the resulting allocation in the purchase price were appropriate.

Other Information

Frasers Centrepoint Asset Management Ltd., the Manager of the Trust (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for the Statistics of Unitholdings (the "Report") which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

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

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

When we read the Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the ISCA, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS
FRASERS CENTREPOINT TRUST
(CONSTITUTED UNDER A TRUST DEED (AS AMENDED) IN THE REPUBLIC OF SINGAPORE)

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS
FRASERS CENTREPOINT TRUST
(CONSTITUTED UNDER A TRUST DEED (AS AMENDED) IN THE REPUBLIC OF SINGAPORE)

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
23 November 2020

BALANCE SHEETS

AS AT 30 SEPTEMBER 2020

	Note	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Non-current assets					
Investment properties	4	2,749,500	2,846,000	2,749,500	2,846,000
Fixed assets	5	229	85	229	85
Investment in subsidiaries	6	–	–	190,200	1
Investment in associates	7	696,406	457,470	62,784	64,608
Investment in joint ventures	8	177,197	177,273	173,626	173,558
Loan to joint venture	8	113,810	113,810	113,810	113,810
		3,737,142	3,594,638	3,290,149	3,198,062
Current assets					
Trade and other receivables	9	9,686	3,142	191,533	193,346
Cash and cash equivalents	10	28,583	13,103	27,958	12,834
Asset held for sale	11	108,000	–	108,000	–
		146,269	16,245	327,491	206,180
Total assets		3,883,411	3,610,883	3,617,640	3,404,242
Current liabilities					
Trade and other payables	12	43,277	47,329	43,286	47,380
Financial derivatives	13	466	–	466	–
Current portion of security deposits		16,856	22,609	16,856	22,609
Deferred income	14	1	2	1	2
Interest-bearing borrowings	15	255,000	295,049	255,000	295,049
Provision for taxation		86	11	–	–
Liabilities held for sale	11	1,427	–	1,427	–
		317,113	365,000	317,036	365,040
Non-current liabilities					
Financial derivatives	13	6,901	975	6,901	975
Interest-bearing borrowings	15	997,308	744,756	807,164	554,900
Non-current portion of security deposits		23,813	29,093	23,813	29,093
		1,028,022	774,824	837,878	584,968
Total liabilities		1,345,135	1,139,824	1,154,914	950,008
Net assets		2,538,276	2,471,059	2,462,726	2,454,234
Represented by:-					
Unitholders' funds		2,562,605	2,489,921	2,467,368	2,454,234
Translation reserve	16	(18,999)	(18,829)	–	–
Hedging reserve	17	(5,330)	(33)	(4,642)	–
Unitholders' funds and reserves		2,538,276	2,471,059	2,462,726	2,454,234
Units in issue ('000)	18	1,119,447	1,116,284	1,119,447	1,116,284
Net asset value per Unit ($)	19	2.27	2.21	2.20	2.20

* Denotes amount less than $500

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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STATEMENTS OF TOTAL RETURN

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	Note	Group		Trust	
		2020 $'000	2019 $'000	2020 $'000	2019 $'000
Gross revenue	20	164,377	196,386	164,377	196,386
Property expenses	21	(53,489)	(57,103)	(53,489)	(57,103)
Net property income		110,888	139,283	110,888	139,283
Interest income		14	–	14	–
Other income	22	586	131	–	–
Interest income from joint venture		2,211	587	2,211	587
Borrowing costs	23	(27,603)	(24,648)	(23,498)	(24,596)
Asset management fees	24	(18,430)	(16,756)	(18,430)	(16,756)
Valuation fees		(121)	(101)	(121)	(101)
Trustee's fees		(577)	(477)	(577)	(477)
Audit fees		(138)	(115)	(136)	(113)
Other professional fees		(768)	(557)	(762)	(554)
Other charges		(655)	(670)	(633)	(671)
Net income		65,407	96,677	68,956	96,602
Distributions from subsidiary		–	–	11,909	7,060
Distributions from associate		–	–	1,629	3,547
Distributions from joint ventures		–	–	10,579	2,920
Share of results of associates	7	75,280	22,548	–	–
Share of results of joint ventures	8	11,200	6,409	–	–
Impairment loss on investment in joint venture		–	(1,132)	–	(1,132)
Impairment loss on investment in associate		–	–	(1,824)	–
Surplus on revaluation of investment properties	4	4,747	93,290	4,747	93,290
Unrealised loss from fair valuation of derivatives		(1,095)	(998)	(1,095)	(998)
Expenses in relation to acquisitions of an associate and a joint venture		(3,781)	(10,838)	(3,781)	(10,838)
Total return before tax		151,758	205,956	91,120	190,451
Taxation	25	(82)	(11)	–	–
Total return for the year		151,676	205,945	91,120	190,451
Earnings per Unit (cents)	26				
Basic		13.57	20.78	8.15	19.22
Diluted		13.55	20.74	8.14	19.18

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

DISTRIBUTION STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Income available for distribution to Unitholders at beginning of year	32,551	27,483	32,548	27,480
Net income	65,407	96,677	68,956	96,602
Net tax adjustments (Note A)	(8,011)	8,368	8,073	8,589
Distribution from subsidiary	–	–	11,909	7,060
Distributions from associates	33,171	10,753	1,629	3,547
Distributions from joint ventures	10,579	2,920	10,579	2,920
	101,146	118,718	101,146	118,718
Income available for distribution to Unitholders	133,697	146,201	133,694	146,198
Distributions to Unitholders:				
Distribution of 2.862 cents per Unit for period from 1/7/2018 to 30/9/2018	–	26,550	–	26,550
Distribution of 3.020 cents per Unit for period from 1/10/2018 to 31/12/2018	–	28,021	–	28,021
Distribution of 3.137 cents per Unit for period from 1/1/2019 to 31/3/2019	–	29,158	–	29,158
Distribution of 1.909 cents per Unit for period from 1/4/2019 to 27/5/2019	–	17,746	–	17,746
Distribution of 1.091 cents per Unit for period from 28/5/2019 to 30/6/2019	–	12,175	–	12,175
Distribution of 2.913 cents per Unit for period from 1/7/2019 to 30/9/2019	32,553	–	32,553	–
Distribution of 3.060 cents per Unit for period from 1/10/2019 to 31/12/2019	34,202	–	34,202	–
Distribution of 1.610 cents per Unit for period from 1/1/2020 to 31/3/2020	18,000	–	18,000	–
	84,755	113,650	84,755	113,650
Income available for distribution to Unitholders at end of year	48,942	32,551	48,939	32,548
Distribution per unit (cents) *	9.042	12.070	9.042	12.070
Note A – Net tax adjustments relate to the following items:				
– Asset management fees paid/payable in Units	4,798	5,518	4,798	5,518
– Amortisation of loan arrangement fees	1,347	1,136	1,060	1,134
– Amortisation of lease incentives	1,436	1,303	1,436	1,303
– Deferred income and amortisation of rental deposits	1	1	1	1
– Other items	(15,593)	410	778	633
Net tax adjustments	(8,011)	8,368	8,073	8,589

* The Distribution per unit relates to the distributions in respect of the relevant financial year. The distribution relating to the 2nd half of 2020 will be paid after 30 September 2020.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS AND RESERVES

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Net assets at beginning of year	2,471,059	1,933,756	2,454,234	1,932,054
Operations				
Total return for the year	151,676	205,945	91,120	190,451
Unitholders' transactions				
Creation of Units				
– proceeds from equity fund raising	–	437,366	–	437,366
– issued/issuable as satisfaction of asset management fees	4,798	5,518	4,798	5,518
– issued as satisfaction of acquisition fees	1,972	8,999	1,972	8,999
Issue expenses	(1)	(6,504)	(1)	(6,504)
Distributions to Unitholders	(84,755)	(113,650)	(84,755)	(113,650)
Net (decrease)/increase in net assets resulting from Unitholders' transactions	(77,986)	331,729	(77,986)	331,729
Share of movements in other reserves of an associate and a joint venture	(1,006)	(325)	–	–
Movement in translation reserve (Note 16)	(170)	(13)	–	–
Movement in hedging reserve (Note 17)	(5,297)	(33)	(4,642)	–
Net assets at end of year	2,538,276	2,471,059	2,462,726	2,454,234

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

PORTFOLIO STATEMENTS

AS AT 30 SEPTEMBER 2020

GROUP

Description of Property	Term of Lease	Location	Existing Use	Occupancy Rate as at 30 September 2020 %	At Valuation 2020 $'000	At Valuation 2019 $'000	Percentage of Total Assets 2020 %	Percentage of Total Assets 2019 %
Investment properties in Singapore								
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	96.6	1,305,000	1,298,000	33.6	35.9
Northpoint City North Wing	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	96.2	771,500	771,500	19.9	21.4
Anchorpoint	Freehold	368 & 370 Alexandra Road	Commercial	92.7	110,000	113,500	2.8	3.1
YewTee Point	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	97.1	190,000	189,000	4.9	5.2
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	92.0	– [(a)]	94,000	–	2.6
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	90.4	338,000	342,000	8.7	9.5
Yishun 10 Retail Podium	99-year leasehold from 1 April 1990	51 Yishun Central 1	Commercial	68.8	35,000	38,000	0.9	1.1
Investment properties, at valuation					2,749,500	2,846,000	70.8	78.8
Asset held for sale in Singapore (Note 11)								
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	92.0	108,000 [(a)]	–	2.8	–
Investment in associates (Note 7)					696,406	457,470	17.9	12.7
Investment in joint ventures, including loan to joint venture (Note 8)					291,007	291,083	7.5	8.0
					3,844,913	3,594,553	99.0	99.5
Other assets					38,498	16,330	1.0	0.5
Total assets attributable to Unitholders					3,883,411	3,610,883	100.0	100.0

(a) Classified as "Asset held for sale" as at 30 September 2020 (Note 11).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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PORTFOLIO STATEMENTS

AS AT 30 SEPTEMBER 2020

TRUST

Description of Property	Term of Lease	Location	Existing Use	Occupancy Rate as at 30 September 2020 %	At Valuation 2020 $'000	At Valuation 2019 $'000	Percentage of Total Assets 2020 %	Percentage of Total Assets 2019 %
Investment properties in Singapore								
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	96.6	1,305,000	1,298,000	36.1	38.1
Northpoint City North Wing	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	96.2	771,500	771,500	21.3	22.7
Anchorpoint	Freehold	368 & 370 Alexandra Road	Commercial	92.7	110,000	113,500	3.0	3.3
YewTee Point	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	97.1	190,000	189,000	5.3	5.6
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	92.0	– [(a)]	94,000	–	2.8
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	90.4	338,000	342,000	9.3	10.0
Yishun 10 Retail Podium	99-year leasehold from 1 April 1990	51 Yishun Central 1	Commercial	68.8	35,000	38,000	1.0	1.1
Investment properties, at valuation					2,749,500	2,846,000	76.0	83.6
Asset held for sale in Singapore (Note 11)								
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	92.0	108,000 [(a)]	–	3.0	–
Investment in associates (Note 7)					62,784	64,608	1.7	1.9
Investment in joint ventures, including loan to joint venture (Note 8)					287,436	287,368	8.0	8.4
					3,207,720	3,197,976	88.7	93.9
Other assets					409,920	206,266	11.3	6.1
Total assets attributable to Unitholders					3,617,640	3,404,242	100.0	100.0

(a) Classified as "Asset held for sale" as at 30 September 2020 (Note 11).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

PORTFOLIO STATEMENTS

AS AT 30 SEPTEMBER 2020

Independent valuations of the investment properties were undertaken by CBRE Pte Ltd ("CBRE"), Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") and Savills Valuation and Professional Services (S) Pte Ltd (" Savills"). Independent valuations of asset held for sale were undertaken by Jones Lang LaSalle LP ("JLL") and Colliers. The Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued. The valuations were performed based on the following methods:

Description of Property	Valuer	Valuation Method	Valuation 2020 $'000	Valuation 2019 $'000
Investment Properties				
Causeway Point	Savills (2019: Savills)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	1,305,000	1,298,000
Northpoint City North Wing	Colliers (2019: Colliers)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	771,500	771,500
Anchorpoint	Colliers (2019: Colliers)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	110,000	113,500
YewTee Point	CBRE (2019: CBRE)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	190,000	189,000
Bedok Point	Not applicable (2019: CBRE)	Not applicable (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	– [(a)]	94,000
Changi City Point	Savills (2019: Savills)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	338,000	342,000
Yishun 10 Retail Podium	Savills (2019: Savills)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2019: Capitalisation approach, discounted cash flow analysis and direct comparison method)	35,000	38,000
Asset held for sale in Singapore (Note 11)				
Bedok Point	JLL & Colliers (2019: Not applicable)	Residual method and direct comparison method (2019:Not applicable)	108,000 [(a)]	--

(a) Classified as "Asset held for sale" as at 30 September 2020 (Note 11).

The net changes in fair values of these investment properties have been recognised in the Statements of Total Return in accordance with the Group's accounting policies.

The investment properties are leased to third party tenants. Generally, these leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with individual lessees. Contingent rent, which comprises gross turnover rent, recognised in the Statements of Total Return of the Group and the Trust amounted to $7,824,000 (2019: $9,441,000).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Contents

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	Note	Group 2020 $'000	Group 2019 $'000
Operating activities			
Total return before tax		151,758	205,956
Adjustments for:			
Allowance for doubtful receivables		1,297	8
Write back of allowance for doubtful receivables		(1,099)	(16)
Borrowing costs		27,603	24,648
Asset management and acquisition fees paid/payable in Units		6,770	14,517
Interest income		(14)	–
Depreciation of fixed assets		56	93
Amortisation of intangible assets		–	12
Share of associates' results		(75,280)	(22,548)
Share of joint ventures' results		(11,200)	(6,409)
Impairment loss on investment in joint venture		–	1,132
Surplus on revaluation of investment properties		(4,747)	(93,290)
Unrealised loss from fair valuation of derivatives		1,095	998
Amortisation of lease incentives		1,436	1,303
Deferred income recognised		(1)	(13)
Fixed assets write off		6	–
Operating income before working capital changes		**97,680**	**126,391**
Changes in working capital:			
Trade and other receivables		(8,097)	255
Trade and other payables		(11,446)	4,109
Tax paid		(7)	–
Cash flows generated from operating activities		**78,130**	**130,755**
Investing activities			
Distributions received from associates		34,017	9,907
Distributions received from joint ventures		10,579	2,920
Interest received		14	–
Capital expenditure on investment properties		(10,901)	(4,990)
Acquisition of fixed assets		(206)	(29)
Acquisition of investment in associate		(197,237)	(379,953)
Acquisition of investment in joint venture		(68)	(174,689)
Loan to a joint venture		–	(113,810)
Cash flows used in investing activities		**(163,802)**	**(660,644)**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	Note	Group 2020 $'000	2019 $'000
Financing activities			
Proceeds from borrowings		793,000	1,121,115
Proceeds from issue of new units		–	437,366
Repayment of borrowings		(580,083)	(892,032)
Borrowing costs paid		(25,755)	(22,627)
Distributions to Unitholders		(84,755)	(113,650)
Payment of transaction costs		(1,254)	(2,540)
Payment of issue expenses		(1)	(6,504)
Cash flows generated from financing activities		**101,152**	**521,128**
Net increase/(decrease) in cash and cash equivalents		15,480	(8,761)
Cash and cash equivalents at beginning of year		13,103	21,864
Cash and cash equivalents at end of year	10	**28,583**	**13,103**

Significant Non-Cash Transactions

During the financial years, 1,994,085 (2019: 2,116,627) Units were issued and issuable in satisfaction of asset management fees payable in Units, amounting to a value of $4,798,241 (2019: $5,518,174) in respect of the financial year.

827,060 units were issued on 11 August 2020 in satisfaction of acquisition fees of $1,972,373 in connection with the acquisition of an additional stake of 12.07% in ARF completed on 6 July 2020. (2019: 1,445,217 and 141,216 units were issued on 16 April 2019 and 6 May 2019 respectively in satisfaction of acquisition fees of $3,760,320 in connection with the acquisition of ARF completed on 4 April and 26 April 2019 respectively. 1,819,199 units were issued on 17 July 2019 in satisfaction of acquisition fees of $4,333,333 in connection with the acquisition of 33⅓% stake in SST completed on 11 July 2019. 317,996 and 14,388 units were issued on 24 September 2019 in satisfaction of acquisition fees of $905,881 in connection with the acquisition of 6⅔% stake in SST completed on 18 September 2019 and payment of an additional sum of $3.9 million in connection with the acquisition of ARF).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

The following notes form an integral part of the financial statements.

1. GENERAL

Frasers Centrepoint Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to a trust deed dated 5 June 2006, and any amendment or modification thereof (the "Trust Deed"), between Frasers Centrepoint Asset Management Ltd. (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office is 10 Marina Boulevard Marina Bay Financial Centre Tower 2 #48-01 Singapore 018983.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 July 2006 and was included in the Central Provident Fund Investment Scheme ("CPFIS") on 5 July 2006.

The principal activity of the Trust is to invest in income-producing properties used primarily for retail purposes, in Singapore and overseas, with the primary objective of delivering regular and stable distributions to Unitholders and to achieve long-term capital growth. The principal activity of the subsidiaries is set out in Note 6.

The financial statements were authorised for issue by the Manager and the Trustee on 23 November 2020.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

1.1 Property management fees

Under the property management agreements, fees are charged as follows:

(i) 2.0% per annum of the gross revenue of the properties;

(ii) 2.0% per annum of the net property income of the properties (calculated before accounting for the property management fees); and

(iii) 0.5% per annum of the net property income of the properties (calculated before accounting for the property management fees), in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

1.2 Asset management fees

Pursuant to the Trust Deed, asset management fees comprise the following:

(i) a base fee equal to a rate of 0.3% per annum of the value of Deposited Property (being all assets, as stipulated in the Trust Deed) of the Trust; and

(ii) an annual performance fee equal to a rate of 5.0% per annum of the Net Property Income (as defined in the Trust Deed) of the Trust and any Special Purpose Vehicles (as defined in the Trust Deed) for each financial year.

Any increase in the rate or any change in the structure of the asset management fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

1. GENERAL (CONT'D)

1.2 Asset management fees (cont'd)

The Manager may elect to receive the fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). For the year ended 30 September 2020, the Manager has opted to receive 20% to 50% (2019: 20% to 55%) of the asset management fees in the form of Units with the balance in cash. The portion of the base management fees is payable on a quarterly basis in arrears and the portion of the performance management fees is payable on an annually basis in arrears.

The Manager is also entitled to receive acquisition fee at the rate of 1% of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties or investments.

1.3 Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of Deposited Property of the Trust, subject to a minimum of $9,000 per month, excluding out-of-pocket expenses and GST.

Any increase in the maximum permitted or any change in the structure of the Trustee's fee must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Trustee's fees are payable monthly in arrears.

2. BASIS OF PREPARATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Financial Reporting Standards in Singapore ("FRS").

This is the first set of the Group's annual financial statements in which FRS 116 *Leases* and amendments to recognition and measurement principles of FRS 109 *Financial Instruments*, FRS 39 *Financial Instruments: Recognition and Measurement* and FRS 107 *Financial Instruments: Disclosures* in relation to the project on interest rate benchmark have been applied. The related changes to significant accounting policies are described in note 2.2.

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

These financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

The preparation of the financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and associated assumptions are based on historical experience and relevant factors, including expectation of further events that are believed to be reasonable under the circumstances and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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2. BASIS OF PREPARATION (CONT'D)

2.1 Basis of preparation (cont'd)

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(i) Note 3.1(i) – Business combinations;

(ii) Note 7 – Investment in associates; and

(iii) Note 8 – Investment in joint ventures.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

(i) Note 4 – Valuation of investment properties; and

(ii) Note 13 – Valuation of financial derivatives.

2.2 Changes in accounting policies

New standards and amendments

The Group has applied the following FRS, amendments to and interpretations of FRSs for the first time for the annual period beginning on 1 October 2019:

- FRS 116 *Leases*
- FRS INT 123 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to FRS 28)
- *Prepayment Features with Negative Compensation* (Amendments to FRS 109)
- *Previously Held Interest in a Joint Operation* (Amendments to FRS 103 and 111)
- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to FRS 12)
- *Borrowing Costs Eligible for Capitalisation* (Amendments to FRS 23)
- *Plan Amendment, Curtailment or Settlement* (Amendments to FRS 19)

In addition, the Group early adopted the amendments to recognition and measurement principles of FRS 109 *Financial Instruments*, FRS 39 *Financial Instruments: Recognition and Measurement* and FRS 107 *Financial Instruments:* Disclosures on 1 October 2019 in relation to the project on interest rate benchmark reform. The Group applied the interest rate benchmark reform amendments retrospectively to hedging relationship that existed at 1 October 2019 or were designated thereafter and that are directly affected by interest rate benchmark reform. These amendments also apply to the gain or loss accumulated in the hedging reserve in unitholders' funds and reserves that existed at 1 October 2019. The details of the accounting policies are disclosed in Notes 3.4(vi) and 29(b)(ii) for related disclosures about the risks and hedge accounting.

Other than FRS 116, the application of these amendments to standards and interpretations does not have a material effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. BASIS OF PREPARATION (CONT'D)

2.2 Changes in accounting policies (cont'd)

FRS 116 *Leases*

The Group applied FRS 116 using the modified retrospective approach. Accordingly, the comparative information presented for 2018 is not restated – i.e. it is presented, as previously reported, under FRS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in FRS 116 have not generally been applied to comparative information.

Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under INT FRS 104 *Determining whether an Arrangement contains a Lease*. The Group now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in FRS 116.

On transition to FRS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Group applied FRS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under FRS 17 and INT FRS 104 were not reassessed for whether there is a lease under FRS 116. Therefore, the definition of a lease under FRS 116 was applied only to contracts entered into or changed on or after 1 October 2019.

As a lessor

The Group leases out its investment property and has classified these leases as operating leases.

The Group is not required to make any adjustments on transition to FRS 116 for leases in which it acts as a lessor.

The Group has applied FRS 115 *Revenue from Contracts* with Customers to allocate consideration in the contract to each lease and non-lease component.

Impact on financial statements

There is no impact to the Group on transition to FRS 116.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied by the Group entities consistently to all the periods presented in these financial statements, except as explained in Note 2.2, which addresses changes in accounting policies arising from the adoption of new standards.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(i) Business combinations (cont'd)

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in the statements of total return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statements of total return.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the statements of total return.

NCI (if any) that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

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

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

In the Trust's balance sheet, investment in subsidiary is accounted for at cost less any accumulated impairment losses.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the statements of total return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(iii) Investments in associates and joint ventures (equity-accounted investees)

An associate is an entity over which the Group has significant influence over the financial and operating policy decisions of the investee but does not have control or joint control of those policies. Significant influence is presumed to exist when the Group has 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its investment in equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Trust. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Trust's separate financial statements, interests in joint ventures and associates are carried at cost less accumulated impairment losses.

A list of the associate and joint venture is shown in Notes 7 and 8, respectively.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Property acquisitions and business combinations

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary.

When the acquisition does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Earnings per unit

The Group presents basic and diluted earnings per unit data for its units. Basic earnings per unit is calculated by dividing the total return attributable to Unitholders of the Group by the weighted-average number of units outstanding during the year. Diluted earnings per unit is determined by adjusting the total return attributable to Unitholders and the weighted-average number of units outstanding, for the effects of all dilutive potential units.

3.3 Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses are property management fees which are based on the applicable formula stipulated in Note 1.1.

(ii) Asset management fees

Asset management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1.2.

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses are Trustee's fees which are based on the applicable formula stipulated in Note 1.3.

3.4 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statements of total return.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statements of total return. Any gain or loss on derecognition is recognised in the statements of total return.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statements of total return. Directly attributable transaction costs are recognised in the statements of total return as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statements of total return.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its balance sheets, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statements of total return.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the statements of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statements of total return.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Applicable from 1 October 2019 for hedges directly affected by interest rate benchmark reform

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss. A similar exception is also provided for a discontinued cash flow hedging relationship.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedged item, the Group will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

(vi) Derivative financial instruments and hedge accounting (cont'd)

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in unitholders' funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in unitholders' funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statements of total return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in unitholders' funds until it is reclassified to the statements of total return in the same period or periods as the hedged expected future cash flows affect the statements of total return.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to the statements of total return.

3.5 Fixed assets

(i) Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed asset.

The gain or loss on disposal of an item of fixed asset is recognised in the statements of total return.

(ii) Subsequent costs

The cost of replacing a component of an item of fixed asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of fixed asset are recognised in the statements of total return as incurred.

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NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Fixed assets (cont'd)

(iii) Depreciation

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

Depreciation is recognised as an expense in the statements of total return on a straight-line basis over the estimated useful lives of each component of an item of fixed asset, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the fixed assets are installed and are ready for use. The estimated useful lives for the current and comparative years are 2 years to 10 years.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are measured and recorded on initial recognition in Singapore dollars, the functional currency of the Trust and subsidiaries, at exchange rates at the dates of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an equity investment designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Foreign currency (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.7 Leases

The Group has applied FRS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under FRS 17 and INT FRS 104. The details of accounting policies under FRS 17 and INT FRS 104 are disclosed separately.

Policy applicable from 1 October 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in FRS 116.

This policy is applied to contracts entered into, on or after 1 October 2019.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Leases (cont'd)

As a lessor (cont'd)

If an arrangement contains lease and non-lease components, then the Group applies FRS 115 to allocate the consideration in the contract.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from FRS 116.

Leases - Policy applicable before 1 October 2019

For contracts entered into before 1 October 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a lessor

When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease was a finance lease; if not, then it was an operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

Rental income from investment property is recognised as "revenue" on a straight-line basis over the term of the lease. Rental income from sub-leased property is recognised as "other income".

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost and lease receivables.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held), or when the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

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NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the balance sheets

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statements of total return.

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

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

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

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in the statements of total return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired

3.9 Assets held for sale

The fair value of the Group's investment properties held for sale is either valued by an independent valuer or based on agreed contractual selling price on a willing buyer seller basis. For investment properties held for sale valued by an independent valuer, the valuer has considered the direct comparison and residual method in arriving at the open market value as at the reporting date. In determining the fair value, the valuer used valuation techniques which involve certain estimates.

3.10 Intangible assets

Software is initially recognised at cost and subsequently carried at cost less accumulated amortisation.

Amortisation is recognised in the statements of total return on a straight-line basis over its estimated useful life of 5 years.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.12 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- the foreign currency gain or loss on financial assets and financial liabilities;
- the gain on the remeasurement to fair value of any pre-existing interest in an acquiree in a business combination; and
- hedge ineffectiveness recognised in profit or loss.

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Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.13 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value thereafter. Valuation is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers.

- In such manner and frequency required under the CIS Code issued by the MAS; and
- At least in each period of 12 months following the acquisition of each parcel of real estate property.

Any increase or decrease on revaluation is credited or charged to the statements of total return as a net revaluation surplus or deficit in the value of the investment properties.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statements of total return.

Investment properties are not depreciated. Investment properties are subject to continual maintenance and regularly revalued on the basis set out above. For taxation purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Singapore Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.15 Revenue recognition

Gross rental income

Gross rental income is recognised on a straight line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

Turnover rental income

Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period in which it is earned and the amount can be reliably measured.

Car park income

Car park income consists of season and hourly parking income. Season parking income is recognised on a straight-line basis over the non-cancellable lease term. Hourly parking income is recognised at a point of time upon the utilisation of car parking facilities.

3.16 Security deposits and deferred income

Security deposits relate to rental deposits received from tenants at the Group's investment properties. The accounting policy for security deposits as financial liabilities is set out in Note 3.4.

Deferred income relates to the difference between consideration received for security deposits and its fair value at initial recognition and is credited to the statements of total return as gross rental income on a straight line basis over individual lease term.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Board of Directors of the Manager to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Board of Directors of the Manager include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly borrowing costs and asset management fees.

Segment capital expenditure is the total cost incurred to acquire investment properties and fixed assets.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax expense is recognised in the statements of total return except to the extent that it relates to a items recognised directly in unitholders' funds.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is not recognised for temporary differences that:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Taxation (cont'd)

Tax transparency

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions (the "tax transparency ruling"). Accordingly, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to Unitholders that are made out of the taxable income of the Trust, except:

- where the beneficial owners are individuals or Qualifying Unitholders, who are not acting in the capacity of a trustee, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax; and

- where the beneficial owners are Qualifying foreign non-individual investors or foreign funds or where the Units are held by nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are Qualifying foreign non-individual investors or foreign funds, the Trustee and the Manager will deduct/withhold tax at a reduced rate of 10% from the distributions.

A Qualifying non-individual investor refers to a non-resident non-individual unitholder or foreign fund who:

does not have any permanent establishment in Singapore (other than a fund manager in Singapore); or

(i) carries on any operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that person to acquire the units in the Trust are not obtained from that operation.

A Qualifying Unitholder is a unitholder who is:

(i) an individual (including those who purchased units in the Trust through agent banks or Supplementary Retirement Scheme ("SRS") operators which act as a nominee under the CPF Investment Scheme or the SRS respectively);

(ii) a company incorporated and resident in Singapore;

(iii) a Singapore branch of a foreign company;

(iv) a body of persons (excluding companies or partnerships) incorporated or registered in Singapore, including charities registered under Charities Act (Cap. 37) or established by any written law, town councils, statutory boards, co-operative societies registered under the Co-operatives Societies Act (Cap. 62) or trade unions registered under the Trade Unions Act (Cap. 333);

(v) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145); or

(vi) real estate investment trust exchange-traded funds ("REIT ETFs") which have been accorded the tax transparency treatment.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Taxation (cont'd)

Tax transparency (cont'd)

A qualifying Non-resident Fund is a non-resident fund that qualifies for tax exemption under Section 13CA, 13X or 13Y of the Income Tax Act (Cap.134) and who:

(i) does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or

(ii) carries on an operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that qualifying fund to acquire units of the Trust are not obtained from that operation.

The above tax transparency ruling does not apply to gains from the sale of real properties. Such gains, when determined by the IRAS to be trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the capital gains without tax being deducted at source.

(iv) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

– where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the IRAS is included as part of receivables or payables on the Balance Sheets.

3.19 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and are classified as equity. Incremental costs directly attributable to the issuance of Units are deducted against Unitholders' funds.

3.20 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Group will comply with the conditions associated with the grant. Government grants related to income are recognised in profit or loss as 'Other Income' on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.21 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 October 2019 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new FRSs, interpretations and amendments to FRSs are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *Amendments to References to Conceptual Framework in FRS Standards*
- *Definition of a Business* (Amendments to FRS 103)
- *Definition of Material* (Amendments to FRS 1 and FRS 8)
- FRS 117 *Insurance Contracts*

4. INVESTMENT PROPERTIES

	Group and Trust	
	2020 $'000	2019 $'000
At beginning	2,846,000	2,749,000
Capital expenditure	8,189	5,013
	2,854,189	2,754,013
Surplus on revaluation taken to Statements of Total Return	3,311	91,987
Reclassification to asset held for sale (Note 11)	(108,000)	–
At end	2,749,500	2,846,000

The investment properties owned by the Group and the Trust are set out in the Portfolio Statements on pages 149 to 151.

Anchorpoint has been mortgaged as security for a $80 million secured five-year term loan from DBS Bank Ltd (Note 15(a)(ii)). The loan has been prepaid on 7 October 2020 and discharge of its mortgage is in progress.

Changi City Point has been mortgaged as security for a $190 million secured three- and five-year term loan from BNP Paribas (Note 15(a)(iv)).

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

4. INVESTMENT PROPERTIES (CONT'D)

Valuation processes

Investment properties are stated at fair value based on valuations performed by external independent valuers who possess appropriate recognised professional qualifications and relevant experience in the location and property being valued. In accordance with the CIS code, the Group rotates the independent valuers every two years and has appointed valuers to value the same property for a third consecutive financial year for the current financial year ended 30 September 2020.

In determining the fair value, the valuers have used valuation methods which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yields, discount rates and terminal yields. The independent valuers have considered available information as at 15 September 2020 relating to COVID-19 and have made necessary adjustments to the valuation. The valuation reports also highlighted that given the unprecedented set of circumstances on which to base a judgement, less certainty, and a higher degree of caution, should be attached to their valuations than would normally be the case. Due to the unknown future impact that COVID-19 might have on the real estate market, the external valuers have also recommended to keep the valuation of these properties under frequent review. The Manager reviews the appropriateness of the valuation methodologies, assumptions and estimates adopted and is of the view that they are reflective of the market conditions as at 15 September 2020.

Fair value hierarchy

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

As a result of the COVID-19 pandemic, assessing fair value as at the reporting date involved considering uncertainties around the underlying assumptions and inputs to fair value given the forward-looking nature of these assumptions. The COVID-19 pandemic has also created unprecedented economic uncertainty, in particular the absence of a significant level of market transactions which are ordinarily a key source of evidence for assessing the fair value of investment properties.

As such, the 15 September 2020 valuation process has been adjusted for the current period compared to the process that would typically be followed and adopted in more normalised market conditions.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 September 2020				
Non-financial assets				
Investment properties	–	–	2,749,500	2,749,500
At 30 September 2019				
Non-financial assets				
Investment properties	–	–	2,846,000	2,846,000

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

4. INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 30 September 2020 $'000	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Investment properties	2,749,500 (2019:2,846,000)	Capitalisation approach	Capitalisation rate	3.75% – 5.00% (2019: 3.75% – 5.00%)	The higher the rates, the lower the fair value.
		Discounted cash flow analysis	Discount rate	7.00% – 7.50% (2019: 7.00% – 7.50%)	The higher the rates, the lower the fair value.
			Terminal yield	4.00% – 5.25% (2019: 4.00% – 5.25%)	The higher the rates, the lower the fair value.
		Direct comparison method	Transacted prices	$1,805 – $4,205 psf (2019: $1,209 – $4,379 psf) (1)	The higher the comparable values, the higher the fair value.

(1) For Causeway Point, YewTee Point, Changi City Point and Yishun 10 (2019: Causeway Point, YewTee Point, Bedok Point, Changi City Point and Yishun 10)

A significant reduction in the capitalisation rate and/or discount rate in isolation would result in a significantly higher fair value of the investment properties.

The key unobservable inputs correspond to:

- discount rate, based on the risk-free rate for 10-year bonds issued by the government of Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class;
- terminal yield reflects the uncertainty, functional/economic obsolescence and the risk associated with the investment properties; and
- capitalisation rate which corresponds to a rate of return on investment properties based on the expected income that the property will generate.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

4. INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements (cont'd)

The net change in fair value of the properties recognised in the Statements of Total Return has been adjusted for amortisation of lease incentives as follows:

	Group and Trust	
	2020 $'000	2019 $'000
Surplus on revaluation	3,311	91,987
Amortisation of lease incentives	1,436	1,303
Surplus on revaluation recognised in Statements of Total Return	4,747	93,290

Direct operating expenses (including repairs and maintenance) arising from rental generating properties are disclosed on Note 21 to the financial statements.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

5. FIXED ASSETS

	Equipment, furniture and fittings, and others Group and Trust	
	2020 $'000	2019 $'000
Cost		
At beginning	401	421
Additions	206	29
Disposals/write-offs	(141)	(49)
At end	466	401
Accumulated depreciation		
At beginning	316	272
Charge for the year	56	93
Disposals/write-offs	(135)	(49)
At end	237	316
Carrying amount		
At beginning	85	149
At end	229	85

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6. INVESTMENT IN SUBSIDIARIES

	Trust	
	2020 $'000	2019 $'000
Unquoted equity investments, at cost	190,200	1

Details of the subsidiaries are as follows:

Name of subsidiary	Place of incorporation/business	Effective equity interest held by the Trust	
		2020 %	2019 %
FCT MTN Pte. Ltd. (1)	Singapore	100	100
FCT Holdings (Sigma) Pte. Ltd. (1)	Singapore	100	100

(1) Audited by KPMG LLP, Singapore

FCT MTN Pte. Ltd. ("FCT MTN") is a wholly-owned subsidiary with share capital of $2 comprising 2 ordinary shares. The principal activity of the subsidiary is the provision of treasury services, including lending to the Trust the proceeds from issuance of notes under an unsecured multicurrency medium term note programme.

FCT Holdings (Sigma) Pte. Ltd. ("FCT Sigma") is a wholly-owned subsidiary with share capital of $190,200,000 (2019: $1,000) comprising 190,200,000 (2019: 1,000) ordinary shares. The principal activity of the subsidiary is investment holding.

7. INVESTMENT IN ASSOCIATES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Investments, at cost	651,774	454,537	74,584	74,584
Share of post-acquisition reserves	70,390	28,521	–	–
Translation difference	(18,999)	(18,829)	–	–
	703,165	464,229	74,584	74,584
Allowance for impairment	(6,759)	(6,759)	(11,800)	(9,976)
	696,406	457,470	62,784	64,608

Details of the associates are as follows:

Name of associates	Place of incorporation/ business	Effective equity interest held by the Group		Effective equity interest held by the Trust	
		2020 %	2019 %	2020 %	2019 %
Hektar Real Estate Investment Trust (1)	Malaysia	31.15	31.15	31.15	31.15
AsiaRetail Fund Limited ("ARF") (2) (3)	Bermuda/ Singapore	36.89	21.13 (4)	–	–

(1) Audited by BDO, Malaysia
(2) Audited by KPMG LLP, Singapore
(3) ARF is formerly known as "PGIM Real Estate AsiaRetail Fund Limited".
(4) Following the investors' share redemption in the capital of ARF on 30 September 2019, the Group's equity interest was 24.82%.

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7. INVESTMENT IN ASSOCIATES (CONT'D)

(a) Hektar Real Estate Investment Trust ("H-REIT") is a real estate investment trust constituted in Malaysia by a trust deed dated 5 October 2006. H-REIT units are listed on the Main Board of Bursa Malaysia Securities Berhad. The principal investment objective of H-REIT is to invest in income-producing real estate in Malaysia used primarily for retail purposes.

The Group assesses at each reporting date whether there is any objective evidence that investment in associates is impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the revalued net book value of the associates. As at 30 September 2020, the Trust provided for an impairment loss of $1,824,000 to write down the carrying amount of the investment in associates to the share of the revalued net book value of the associates.

As the results of H-REIT are not expected to be announced in sufficient time to be included in the Group's results for the quarter ended 30 September 2020, the Group has estimated the results of H-REIT for the quarter ended 30 September 2020 based on its results for the preceding quarter, adjusted for significant transactions and events occurring up to the reporting date of the Group, if any.

The results for H-REIT are equity accounted for at the Group level, net of 10% (2019: 10%) withholding tax in Malaysia.

The fair value of H-REIT based on published price quotations was $27,695,000 (2019: $46,774,000).

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2020 $'000	2019 $'000
Assets and liabilities [5]		
Non-current assets	405,411	403,744
Current assets	17,008	11,422
Total assets	422,419	415,166
Current liabilities	26,539	23,717
Non-current liabilities	197,422	184,167
Total liabilities	223,961	207,884
Results [6]		
Revenue	40,666	44,742
Expenses	(32,095)	(31,746)
Revaluation surplus/(deficit)	1,219	(3,076)
Total return for the year	9,790	9,920

(5) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 June 2020 and 30 June 2019, respectively.

(6) The "Results" is for six months ended 30 June 2020 and 30 June 2019 respectively and pro-rated six month results from the audited financial statements for the period ended 31 December 2019 and 31 December 2018, respectively.

As at 30 September 2020, the associate's property portfolio comprises Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade and Segamat Central in Johor, Central Square and Kulim Central in Kedah.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

7. INVESTMENT IN ASSOCIATES (CONT'D)

(b) AsiaRetail Fund Limited ("ARF") is an open-end private investment vehicle set up as a company incorporated in Bermuda and the largest non-listed retail mall fund in Singapore.

On 6 July 2020, the Group's equity interest in ARF increased from 24.82% to 36.89%, through an acquisition by its wholly-owned subsidiary, FCT Holdings (Sigma) Pte. Ltd., which purchased 48,229 shares in the capital of ARF for a total consideration of approximately S$197.2 million.

No disclosure of fair value is made for the associate as it is not quoted on any market.

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2020 $'000	2019 $'000
Assets and liabilities [1]		
Non-current assets	3,169,878	3,014,711
Current assets	122,598	251,991
Total assets	3,292,476	3,266,702
Current liabilities	146,133	768,962
Non-current liabilities	1,450,635	920,476
Total liabilities	1,596,768	1,689,438
Results [2]		
Revenue	196,534	118,380
Expenses	(124,960)	(80,864)
Revaluation surplus	156,204	92,915
Other comprehensive income	(1,192)	(1,396)
Total return for the period	226,586	129,035

(1) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 September 2020 and 30 September 2019, respectively.

(2) The "Results" is for twelve months ended 30 September 2020 and six months ended 30 September 2019 respectively.

As at 30 September 2020, the associate's property portfolio comprises Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1 and an office property (Central Plaza) in Singapore and Setapak Central Mall in Kuala Lumpur.

	2020 $'000	2019 $'000
Group's interest in associates at beginning of the year	457,470	66,060
Group's share of:		
– Profit after taxation	75,280	22,548
– Other comprehensive income	(240)	(325)
Total comprehensive income	75,040	22,223
Additions during the year	197,237	379,953
Dividends received during the year	(33,171)	(10,753)
Translation difference	(170)	(13)
Carrying amount of interest at end of the year	696,406	457,470

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8. INVESTMENT IN JOINT VENTURES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Unquoted equity investments, at cost	174,758	174,690	174,758	174,690
Share of post-acquisition reserves	3,571	3,715	–	–
	178,329	178,405	174,758	174,690
Allowance for impairment	(1,132)	(1,132)	(1,132)	(1,132)
Loan to joint venture	113,810	113,810	113,810	113,810
	291,007	291,083	287,436	287,368

Details of the joint ventures are as follows:

Name of joint ventures	Place of incorporation/ business	Effective equity interest held by the Group and Trust	
		2020 %	2019 %
Changi City Carpark Operations LLP	Singapore	43.68	43.68
Sapphire Star Trust	Singapore	40.00	40.00
FC Retail Trustee Pte. Ltd.	Singapore	40.00	40.00

The Group has 43.68% interest in the ownership and voting rights in a joint venture, Changi City Carpark Operations LLP. This joint venture is incorporated in Singapore and is a strategic venture in the management and operation of car park in Changi City Point.

The Group has 40.00% interest in the ownership and voting rights in a joint venture, Sapphire Star Trust ("SST"), a private trust that owns Waterway Point, a suburban shopping mall located in Punggol. The Group jointly controls the venture with other partners under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

Loan to joint venture is unsecured and not expected to be repaid within the next twelve months. The loan bears effective interest rates of between 1.053% to 2.529% (2019: 2.708% per annum).

No disclosure is of fair value is made for the joint ventures as they are not quoted on any market.

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8. INVESTMENT IN JOINT VENTURES (CONT'D)

The following summarised financial information relating to the material joint venture has not been adjusted for the percentage of ownership interest held by the Group.

	2020 $'000	2019 $'000
Assets and liabilities [1]		
Non-current assets	1,300,031	1,300,010
Current assets [a]	45,900	42,891
Total assets	1,345,931	1,342,901
Current liabilities [b]	608,625	39,594
Non-current liabilities	302,959	869,157
Total liabilities	911,584	908,751

(a) Includes cash and cash equivalents of $41,600,000 ($2019: $40,914,000)

(b) Includes current bank borrowings and derivative financial instruments of $577,733,000 (2019: $575,477,000)

Results [2]		
Revenue	63,930	16,444
Expenses [c]	(39,317)	(8,840)
Revaluation surplus	737	221
Total return for the period	25,350	7,825

(c) Includes:

- depreciation of $10,000 (2019: $2,000)
- interest income $202,000 (2019: $82,000)
- interest expense $20,620,000 (2019: $5,200,000)

(1) The "Assets and liabilities" is based on the latest available unaudited management accounts as at 30 September 2020 and 30 September 2019, respectively.

(2) The "Results" is for twelve months ended 30 September 2020 and 12 July 2019 to 30 September 2019, respectively.

	2020 $'000	2019 $'000
Group's interest in joint ventures at beginning of the year	291,083	227
Group's share of:		
– Profit after taxation	11,200	6,409
Other comprehensive income	(765)	–
Total comprehensive income	10,435	6,409
Investment during the year	68	174,689
Loan to joint venture	–	113,810
Dividends received during the year	(10,579)	(2,920)
Allowance for impairment	–	(1,132)
Carrying amount of interest at end of the year	291,007	291,083

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9. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Trade receivables	4,874 [(a)]	1,419	4,874	1,419
Allowance for doubtful receivables	(209)	(11)	(209)	(11)
Net trade receivables	4,665	1,408	4,665	1,408
Deposits	68	66	68	66
Prepayments	3,809	189	3,782	162
Amount due from a subsidiary (non-trade)	–	–	181,874	190,231
Amount due from related parties (non-trade)	6	23	6	23
Other receivables	1,074	884	1,074	884
Loan arrangement fees	64	572	64	572
	9,686	3,142	191,533	193,346

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition. Non-trade amounts due from a subsidiary and related parties are unsecured, interest-free and repayable on demand.

(a) Subsequent to 30 September 2020, $3.27 million have been collected as of 6 November 2020.

10. CASH AND CASH EQUIVALENTS

For purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the balance sheet date:

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Cash at bank and on hand	28,583	13,103	27,958	12,834

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11. ASSETS/LIABILITIES HELD FOR SALE

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Investment property	108,000	–	108,000	–
Asset held for sale	108,000	–	108,000	–
Rental deposits	1,427	–	1,427	–
Liability held for sale	1,427	–	1,427	–

On 3 September 2020, the Trust entered into a put and call option agreement to sell Bedok Point. Accordingly, the investment property was classified to asset held for sale as at 30 September 2020.

The carrying amount of the investment property held for sale as at 30 September 2020 was based on independent valuations undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Jones Lang LaSalle IP, Inc using the residual valuation method. The valuation method used in determining the fair value involves certain estimates including the gross development value (psf) and cost of construction (psf). The specific risks inherent in the property are taken into consideration in arriving at the property valuation. The Manager reviews the appropriateness of the valuation methodologies, assumptions and estimates adopted and is of the view that they are reflective of the market conditions as at 30 September 2020.

The fair value measurement has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. The significant unobservable input includes gross development value per square foot and cost of construction per square foot. An increase in the gross development value per square foot or a decrease in the cost of construction per square foot would result in a higher fair value.

12. TRADE AND OTHER PAYABLES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Trade payables and accrued operating expenses	24,084	23,277	24,110	23,298
Amounts due to related parties (trade)	11,123	11,187	11,120	11,187
Amounts due to a subsidiary (non-trade)	–	–	–	81
Deposits and advances	2,449	2,866	2,449	2,866
Interest payable	5,582	5,084	5,568	5,033
Other payables	37	76	37	76
Withholding tax	2	4,839	2	4,839
	43,277	47,329	43,286	47,380

Included in trade payables and accrued operating expenses is an amount due to the Trustee of $99,566 (2019: $92,423).

Included in amounts due to related parties are amounts due to the Manager of $7,742,022 (2019: $6,965,686) and the Property Manager of $2,903,502 (2019: $4,008,647) respectively. The amounts due to related parties are unsecured, interest free and payable within the next 3 months.

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13. FINANCIAL DERIVATIVES

	Group and Trust	
	2020 $'000	2019 $'000
Derivative liabilities		
Interest rate swaps used for hedging		
– Current	466	–
– Non-current	6,901	975
	7,367	975
Financial derivatives as a percentage of net assets	0.29%	0.04%

The Trust entered into contracts to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to agreed notional amounts.

As at 30 September 2020, the Group has seven (2019: four) interest rate swap contracts with a total notional amount of $332 million (2019: $213 million). Under the contracts, the Group pays fixed interest rate in the range of 1.319% to 1.905% (2019: 1.587% to 1.905%).

The fair value of the interest rate swaps is determined using valuation technique as disclosed in Note 28(b).

As at 30 September 2020, where the interest rate swaps are designated as the hedging instruments in qualifying cash flow hedges, the effective portion of the changes in fair value of the interest rate swaps amounting to $5.30 million loss (2019: $0.03 million loss) was recognised in the hedging reserve. There was no ineffectiveness recognised from the hedge.

14. DEFERRED INCOME

	Group and Trust	
	2020 $'000	2019 $'000
Cost		
At beginning	31	144
Additions	–	–
Fully amortised	(29)	(113)
At end	2	31
Accumulated amortisation		
At beginning	29	129
Charge for the year	1	13
Fully amortised	(29)	(113)
At end	1	29
Net deferred income	1	2
This comprises:		
Current portion	1	2
Non-current portion	–	–
	1	2

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15. INTEREST-BEARING BORROWINGS

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Current liabilities				
Term loan (unsecured)	80,000	–	80,000	–
Medium Term Notes (unsecured)	50,000	159,966	–	–
Loan from subsidiary (unsecured)	–	–	50,000	159,966
Short term loans (unsecured)	125,000	135,083	125,000	135,083
	255,000	295,049	255,000	295,049
Non-current liabilities				
Term loans (secured)	189,335	405,049	189,335	405,049
Term loan (unsecured)	508,296	189,856	318,152	–
Loan from subsidiary (unsecured)	–	–	299,677	149,851
Medium Term Notes (unsecured)	299,677	149,851	–	–
	997,308	744,756	807,164	554,900

(a) Term loans (secured)

(i) In December 2016, the Trust entered into a facility agreement with DBS Bank Ltd for a secured five-year term loan of $70 million (the "$70 million Secured Term Loan").

The $70 million Secured Term Loan is principally secured by the following:

- a mortgage over Bedok Point;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Bedok Point; and
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Bedok Point.

The $70 million Secured Term Loan had been fully repaid on 21 June 2019 and its collaterals had been discharged.

(ii) In March 2016, the Trust entered into a facility agreement with DBS Bank Ltd for a secured five-year term loan of $80 million (the "$80 million Secured Term Loan").

The $80 million Secured Term Loan is principally secured by the following:

- a mortgage over Anchorpoint;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Anchorpoint; and
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Anchorpoint.

The $80 million Secured Term Loan has been prepaid on 7 October 2020 and discharge of the above collaterals is in progress.

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

15. INTEREST-BEARING BORROWINGS (CONT'D)

(a) Term loans (secured) (cont'd)

(iii) In June 2016, the Trust entered into a facility agreement with Oversea-Chinese Banking Corporation Limited and DBS Bank Ltd for a secured five-year term loan of $136 million (the "$136 million Secured Term Loan").

The $136 million Secured Term Loan is principally secured by the following:

- a mortgage over YewTee Point;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of YewTee Point; and
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with YewTee Point.

The $136 million Secured Term Loan had been fully repaid on 11 May 2020 and its collaterals had been discharged.

(iv) In April 2019, the Trust entered into a facility agreement with BNP Paribas for a secured three- and five-year term loan of S$190 million (the "S$190 million Secured Term Loan").

The S$190 million Secured Term Loan is principally secured on the following:

- a mortgage over Changi City Point;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Changi City Point;
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Changi City Point; and
- a first fixed and floating charge over all present and future assets of FCT in connection with Changi City Point.

(b) Term loans (unsecured)

In September 2019, FCT Holdings (Sigma) Pte. Ltd. entered into a facility agreement with DBS Bank Ltd, Citibank N.A. Singapore branch and BNP Paribas for an unsecured four-year term loan of $191 million.

In December 2019, the Trust entered into a facility agreement with DBS Bank Ltd, Citibank N.A. Singapore branch and BNP Paribas for an unsecured four-year term loan of $119 million.

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15. INTEREST-BEARING BORROWINGS (CONT'D)

(c) Medium Term Notes (unsecured) Programme

On 7 May 2009, the Group through its subsidiary, FCT MTN Pte Ltd ("FCT MTN"), established a $500,000,000 Multicurrency Medium Term Note Programme ("FCT MTN Programme"). With effect from 14 August 2013, the maximum aggregate principal amount of notes that may be issued under the FCT MTN Programme was increased from $500,000,000 to $1,000,000,000. Under the FCT MTN Programme, FCT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "Notes") in Singapore dollars or any other currency. The Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the FCT MTN Programme.

The Notes shall constitute direct, unconditional, unsubordinated and unsecured obligations of FCT MTN ranking pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of FCT MTN. All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by the Trustee.

As at 30 September 2020, the aggregate balance of the Notes issued by the Group under the FCT MTN Programme amounted to $150 million (2019: $310 million), consisting of:

(i) $Nil million (2019: $70 million) Fixed Rate Notes which mature on 21 January 2020 and bear a fixed interest rate of 3.000% per annum payable semi-annually in arrear;

(ii) $50 million (2019: $50 million) Fixed Rate Notes which mature on 21 June 2021 and bear a fixed interest rate of 2.760% per annum payable semi-annually in arrear;

(iii) $Nil million (2019: $90 million) Fixed Rate Notes which mature on 3 April 2020 and bear a fixed interest rate of 2.365% per annum payable semi-annually in arrear;

(iv) $30 million (2019: $30 million) Fixed Rate Notes which mature on 6 June 2022 and bear a fixed interest rate of 2.645% per annum payable semi-annually in arrear; and

(v) $70 million (2019: $$70 million) Fixed Rate Notes which mature on 8 November 2024 and bear a fixed interest rate of 2.770% per annum payable semi-annually in arrears.

(d) Multicurrency Debt (unsecured) Issuance Programme

On 8 February 2017, the Group established a $3 billion Multicurrency Debt Issuance Programme ("Debt Issuance Programme"). Under the Debt Issuance Programme, the Issuers may, subject to compliance with all relevant laws, regulations and directives from time to time, issue notes (the "Notes") and perpetual securities (the "Perpetual Securities", and together with the Notes, the "Securities") in Singapore dollars or any other currency as may be agreed between the relevant dealers of the Programme and the Issuers.

Each series or tranche of Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates as may be agreed between the relevant dealers of the Debt Issuance Programme and the relevant Issuer or may not bear interest. The Notes and the coupons of all series shall constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

As at 30 September 2020, $200 million (2019: $Nil million) Fixed Rate Notes which mature on 11 May 2023 and bear a fixed rate interest rate of 3.200% per annum payable semi-annually in arrears has been issued under this programme.

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15. INTEREST-BEARING BORROWINGS (CONT'D)

(e) Revolving credit facilities (Non-current and unsecured)

In July 2020, the Trust entered into an agreement with DBS Bank Ltd for a committed 18-month term revolving credit facility of $120 million and with Oversea-Chinese Banking Corporation Limited for a committed 18-month term revolving credit facility of $80 million. As at 30 September 2020, total borrowings drawn down by the Trust on these unsecured facilities amounted to $200 million.

(f) Short term loans (current and unsecured)

The Trust has obtained unsecured credit facilities totalling $245 million (2019: $314 million). As at 30 September 2020, total borrowings drawn down by the Trust on these facilities amounted to $125.0 million (2019: $135.1 million).

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		Derivative liabilities held to hedge borrowings		
	Interest-bearing borrowings $'000	Interest payable $'000	Interest rate swap – assets $'000	Interest rate swap – liabilities $'000	Total $'000
Group					
Balance at 1 October 2018	812,588	4,213	(56)	–	816,745
Changes from financing cash flows					
Proceeds from borrowings	1,121,115	–	–	–	1,121,115
Repayment of borrowings	(892,032)	–	–	–	(892,032)
Borrowing costs paid	–	(22,627)	–	–	(22,627)
Payment of transaction costs	(2,540)	–	–	–	(2,540)
Total changes from financing cash flows	226,543	(22,627)	–	–	203,916
Change in fair value	–	–	56	975	1,031
Liability-related other changes					
Borrowing costs	–	23,498	–	–	23,498
Amortisation of loan arrangement fees	674	–	–	–	674
Total liability-related other changes	674	23,498	–	–	24,172
Balance at 30 September 2019	1,039,805	5,084	–	975	1,045,864
Balance at 1 October 2019	1,039,805	5,084	–	975	1,045,864
Changes from financing cash flows					
Proceeds from borrowings	793,000	–	–	–	793,000
Repayment of borrowings	(580,083)	–	–	–	(580,083)
Borrowing costs paid	–	(25,755)	–	–	(25,755)
Payment of transaction costs	(1,254)	–	–	–	(1,254)
Total changes from financing cash flows	211,663	(25,755)	–	–	185,908
Change in fair value	–	–	–	6,392	6,392
Liability-related other changes					
Borrowing costs	–	26,253	–	–	26,253
Amortisation of loan arrangement fees	840	–	–	–	840
Total liability-related other changes	840	26,253	–	–	27,093
Balance at 30 September 2020	1,252,308	5,582	–	7,367	1,265,257

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16. TRANSLATION RESERVE

The translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group	
	2020 $'000	2019 $'000
At beginning	18,829	18,816
Net effect of exchange loss arising from translation of financial statements of foreign associate	170	13
At end	18,999	18,829

17. HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
At beginning	33	–	–	–
Net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss	5,297	33	4,642	–
At end	5,330	33	4,642	–

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18. UNITS IN ISSUE

	Group and Trust	
	2020 No. of Units '000	2019 No. of Units '000
Units in issue		
At beginning	1,116,284	926,392
Issue of Units		
– Private placement and preferential offering	–	184,000
– issued as satisfaction of asset management fees	2,336	2,154
– issued as satisfaction of acquisition fee	827	3,738
At end	1,119,447	1,116,284
Units to be issued		
– as asset management fees payable in Units	883	1,225
Total issued and issuable Units at end	1,120,330	1,117,509

Each Unit represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the rights to:

- receive income and other distributions attributable to the Units held;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any assets (or part thereof) of the Trust;
- attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- one vote per Unit.

The restrictions of a Unitholder include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to redeem his Units while the Units are listed on SGX-ST.
- A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

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19. NET ASSET VALUE PER UNIT

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Net asset value per Unit is based on:				
Net assets	2,538,276	2,471,059	2,462,726	2,454,234
	'000	'000	'000	'000
Total issued and issuable Units (Note 18)	1,120,330	1,117,509	1,120,330	1,117,509

20. GROSS REVENUE

	Group and Trust	
	2020 $'000	2019 $'000
Gross rental income	147,190	173,494
Turnover rental income	7,824	9,441
Carpark income	3,007	4,656
Others	6,356	8,795
	164,377	196,386

Gross rental income

The Group has granted rental relief to a number of its tenants in light of mandatory government shutdowns, increased social distancing and work from home measures. Each rental relief request has been reviewed and considered on a case-by-case basis. The relief provided are mainly rental rebates, rental payment deferrals or a combination of these.

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21. PROPERTY EXPENSES

	Group and Trust	
	2020 $'000	2019 [2] $'000
Property tax	18,159	16,911
Maintenance	14,877	13,916
Property management fees	6,184	7,569
Staff costs [1]	7,250	8,185
Marketing expenses	4,340	7,255
Utilities	1,657	2,063
Allowance for doubtful receivables	1,297	8
Write back of allowance for doubtful receivables	(1,099)	(16)
Others	762	1,107
Depreciation of fixed assets	56	93
Amortisation of intangible assets	–	12
Fixed assets write off	6	–
	53,489	57,103

(1) Relates to reimbursement of staff costs paid/payable to the Property Manager.

(2) During the financial year, the Group and Trust reclassified certain property expenses and comparative figures have been reclassified to conform with the current year's presentation.

The Group and the Trust do not have any employees.

22. OTHER INCOME

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Government grant income	18,533	–	18,533	–
Government grant expense	(18,533)	–	(18,533)	–

23. BORROWING COSTS

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Interest expense	26,256	23,512	22,438	23,462
Amortisation of loan arrangement fees	1,347	1,136	1,060	1,134
	27,603	24,648	23,498	24,596

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24. ASSET MANAGEMENT FEES

Asset management fees comprise $11,936,345 (2019: $9,567,971) of base fee and $6,494,110 (2019: $7,187,918) of performance fee computed in accordance with the fee structure as disclosed in Note 1.2 to the financial statements.

An aggregate of 1,994,085 (2019: 2,116,627) Units were issued or are issuable to the Manager as satisfaction of the asset management fees payable for the financial year ended 30 September 2020.

25. TAXATION

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Reconciliation of effective tax				
Net income	65,407	96,677	68,956	96,602
Income tax using Singapore tax rate of 17% (2019: 17%)	11,119	16,435	11,723	16,422
Non-tax deductible items	(4,699)	1,398	1,372	1,460
Income not subject to tax	5,639	1,828	2,301	1,803
Income exempt from tax	(11,977)	(19,650)	(15,396)	(19,685)
	82	11	–	–

26. EARNINGS PER UNIT

(i) Basic earnings per Unit

The calculation of basic earnings per Unit is based on the weighted average number of Units during the year and total return for the year.

	Group		Trust	
	2020	2019	2020	2019
Total return for year after tax ($'000)	151,676	205,945	91,120	190,451
Weighted average number of Units in issue ('000)	1,118,086	991,076	1,118,086	991,076

(ii) Diluted earnings per Unit

In calculating diluted earnings per unit, the total return for the year and weighted average number of Units outstanding are adjusted for the effect of all dilutive potential units, as set out below:

	Group		Trust	
	2020	2019	2020	2019
Total return for year after tax ($'000)	151,676	205,945	91,120	190,451
Weighted average number of Units in issue ('000)	1,119,618	992,819	1,119,618	992,819

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27. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, other than the transactions disclosed in the financial statements, the following related party transactions were carried out in the normal course of business on arm's length commercial terms:

	Group and Trust	
	2020 $'000	2019 $'000
Related Corporations		
Property management fees and reimbursement of expenses paid/payable to the Property Manager [1]	16,231	18,231
Acquisition fees paid in units to the Manager in relation to the acquisitions	1,972	8,999
Reimbursement of expenses paid/payable to the Manager	28	64
Acquisition of investment in a joint venture from a related company of the Manager	68	145,665
Reimbursement of expenses/capital expenditure paid/payable to related companies of the Manager	418	144
Recovery of expenses paid on behalf of related companies of the Manager	(132)	(122)
Income from related companies of the Manager	(190)	(16)
Purchase of services from a related company of the Manager	41	–
Reimbursement of carpark income received on behalf of a related company of the Manager	1,578	1,932
Net carpark expenses paid/payable to the Property Manager	89	170
Joint Ventures		
Interest income received/receivable from a Joint Venture	(2,211)	(587)
Loan to a Joint Venture	–	113,810
Car park expenses paid/payable to a Joint Venture	27	33

(1) In accordance with service agreements in relation to management of the Trust and its property operations.

28. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Liabilities measured at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group and Trust				
At 30 September 2020				
Financial liabilities				
Interest rate swaps	–	7,367	–	7,367
At 30 September 2019				
Financial liabilities				
Interest rate swaps	–	975	–	975

During the financial years ended 30 September 2020 and 2019, there have been no transfers between the respective levels.

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28. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) Level 2 fair value measurements

Interest rate swap contracts are valued using present value calculations by applying market observable inputs existing at each reporting date into swap models. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

(c) Fair value of financial liabilities that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair values

The following fair values, which are determined for disclosure purposes, are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending or borrowing arrangements at the reporting date:

	2020 $'000		2019 $'000	
	Carrying amount	Fair value	Carrying amount	Fair value
Group				
Financial liabilities				
Interest-bearing borrowings (non-current)	997,308	1,011,974	744,756	773,654
Security deposits (non-current)	23,813	23,422	29,093	27,911
	1,021,121	1,035,396	773,849	801,565
Trust				
Financial liabilities				
Interest-bearing borrowings (non-current)	807,164	817,707	554,900	569,656
Security deposits (non-current)	23,813	23,422	29,093	27,911
	830,977	841,129	583,993	597,567

(d) Fair value of financial assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables, current portion of security deposits and current portion of interest-bearing borrowings) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

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29. FINANCIAL RISK MANAGEMENT

(a) Capital risk management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy capital structure in order to support its business and maximise Unitholder value.

The Group is subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS Code. The CIS Code stipulates that borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 50.0% of the fund's depository property before 1 January 2022 and on or after 1 January 2022, should not exceed 45.0% of the fund's depository property.

As at 30 September 2020, the Group's Aggregate Leverage stood at 35.9% (2019: 32.9%) of its depository property, which is within the limit set by the Property Fund Guidelines and externally imposed capital requirements. The Trust has affirmed its corporate ratings of "BBB" from S&P Global Ratings and "Baa2" from Moody's Investors Service.

(b) Financial risk management objectives and policies

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Group's business. The Manager continually monitors the Group's exposure to the above risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risks.

(i) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Manager has established credit limits for tenants and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants. Credit risk is also mitigated by the security deposits held for each of the tenants. In addition, receivables are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Trade receivables

The Manager has established an allowance account for impairment that represents its estimate of losses in respect of trade receivables due from specific customers. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheets. At the reporting date, approximately 19.5% (2019: 25.0%) of the Group's trade receivables were due from 5 tenants who are reputable companies located in Singapore.

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual tenants, which comprise a very large number of tenants.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off based on actual credit loss experience over the last three years.

NOTES TO THE FINANCIAL STATEMENTS

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29. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables that are past due but not impaired

The Group and the Trust have trade receivables amounting to $4,665,000 (2019: $1,408,000) that are past due at the balance sheet date but not impaired. The aging of receivables at the balance sheet date is as follows:

	Group and Trust	
	2020 $'000	2019 $'000
Trade receivables past due but not impaired:		
Less than 30 days	2,271	1,222
30 to 60 days	1,767	99
61 to 90 days	*	55
91 to 120 days	479	19
More than 120 days	148	13
	4,665	1,408

* Denotes amount less than $500

Subsequent to 30 September 2020, $3.37 million of trade receivables have been collected as of 7 November 2020.

Trade receivables that are impaired

Trade receivables of the Group and the Trust that are impaired at the reporting date and the movements of the allowance account used to record the impairment are as follows:

	Group and Trust	
	2020 $'000	2019 $'000
Trade receivables	209	11
Allowance for doubtful receivables	(209)	(11)
	–	–
Movement in allowance account:		
At beginning of the year	11	19
Allowance for doubtful receivables recognised	1,297	8
Write back of allowance for doubtful receivables	(1,099)	(16)
At end of the year	209	11

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant difficulties and have defaulted on payments. The allowance for impairment recorded in relation to these receivables represents the amount in excess of the security deposits held as collateral.

Based on the Group's historical experience of the collection of trade receivables, the Manager believes that there is no additional credit risk beyond those which have been provided for.

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NOTES TO THE FINANCIAL STATEMENTS

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29. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Deposits and other receivables

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the short maturity and low credit risks of the exposure. The amount of the allowance on these balances is insignificant.

Amount due from related parties and subsidiaries

Outstanding balances with related party are unsecured and repayable on demand. ELC is assessed from estimated cash flows recoverable from the related parties and subsidiaries based on the review of their financial strength as at the reporting date. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

Loan to joint venture

The Group has loan to joint venture of $113,810,000 (2019: $113,810,000). The loan to joint venture is to satisfy their long term funding requirements. Based on an assessment of qualitative and qualitative factors that are indicative of the risk of default, the exposure is considered to have low credit risk. Therefore impairment on the balance has been measured on the 12-month expected credit loss basis; and the amount of the allowance is insignificant.

Cash and cash equivalent

Cash is placed with financial institutions which are regulated. The maximum exposure to credit risk is represented by the carrying value on the balance sheets. Impairment on cash and cash equivalent has been measured on the 12-month expected loss basis and reflects the short maturities of the exposure. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

(ii) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Manager on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. The Manager adopts a policy of fixing the interest rates for a portion of its outstanding borrowings using financial derivatives or other suitable financial products.

Derivatives

The Group holds interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to Singapore swap offer rates ("SOR"). The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association ("ISDA")'s master agreements. The Group is currently in discussions with counterparties of respective contracts. No derivative instruments have been modified as at 30 September 2020.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

29. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(ii) Interest rate risk (cont'd)

Hedge accounting

The Group has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at 30 September 2020. The Group's hedged items and hedging instruments continue to be indexed to IBOR benchmark rate which is SOR.

The Group's SOR cash flow hedging relationships extend beyond the anticipated cessation date for IBOR. However, there is uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. Such uncertainty may impact the hedging relationship. The Group applies the amendments to FRS 109 issued to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness.

The Group's exposure to SOR designated in hedging relationships is $332 million notional amount at 30 September 2020, representing both the notional amount of the hedging interest rate swaps and principal amount of the Group's hedged bank loan liabilities.

Sensitivity analysis for interest rate risk

It is estimated that a twenty five basis points increase in interest rate at the reporting date, with all other variables held constant, would increase the Group's total return and Unitholders' funds and reserves by approximately $204,000 (2019: $644,000) and $1,232,000 (2019: $829,000) respectively and a twenty five basis points decrease in interest rate, with all other variables held constant, would decrease the Group's total return and Unitholders' funds and reserves by approximately $203,000 (2019: $671,000) and $1,242,000 (2019: $837,000) respectively, arising mainly as a result of change in the fair value of interest rate swap instruments. On outstanding borrowings not covered by financial derivatives at the reporting date, it is estimated that a twenty five basis points increase in interest rate, with all other variables held constant, would decrease the Group's total return for the year and Unitholders' funds and reserves by approximately $1,432,500 (2019: $1,298,000) and a twenty five basis points decrease in interest rate, with all other variables held constant, would increase the Group's total return for the year and Unitholders' funds and reserves by approximately $1,432,500 (2019: $1,298,000), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

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NOTES TO THE FINANCIAL STATEMENTS

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29. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's objective is to maintain sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. In addition, the Manager monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings.

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities at the reporting date based on contractual undiscounted payments.

	Within 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
As at 30 September 2020				
Group				
Trade and other payables	43,277	–	–	43,277
Derivative financial instruments	4,187	3,605	–	7,792
Security deposits	16,708	23,788	25	40,521
Interest-bearing borrowings	271,281	1,026,669	–	1,297,950
	335,453	1,054,062	25	1,389,540
Trust				
Trade and other payables	43,286	–	–	43,286
Derivative financial instruments	4,187	3,605	–	7,792
Security deposits	16,708	23,788	25	40,521
Interest-bearing borrowings	269,652	832,401	–	1,102,053
	333,833	859,794	25	1,193,652
As at 30 September 2019				
Group				
Trade and other payables	42,490	–	–	42,490
Derivative financial instruments	421	584	–	1,005
Security deposits	22,612	29,068	25	51,705
Interest-bearing borrowings	313,304	714,796	70,202	1,098,302
	378,827	744,448	70,227	1,193,502
Trust				
Trade and other payables	42,541	–	–	42,541
Derivative financial instruments	421	584	–	1,005
Security deposits	22,612	29,068	25	51,705
Interest-bearing borrowings	309,022	510,798	70,202	890,022
	374,596	540,450	70,227	985,273

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30. SEGMENT REPORTING

Business segments

The Group is in the business of investing in the following shopping malls, which are considered to be the main business segments: Causeway Point, Northpoint City North Wing and Yishun 10 Retail Podium, Anchorpoint, YewTee Point, Bedok Point and Changi City Point. All these properties are located in Singapore.

The Manager monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is presented in respect of the Group's business segments, based on its management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets, interest-bearing borrowings and their related revenue and expenses.

Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year.

Geographical segments

The Group's operations are primarily in Singapore except for its associate, H-REIT for which operations are in Malaysia.

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NOTES TO THE FINANCIAL STATEMENTS

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30. SEGMENT REPORTING (CONT'D)

(a) Business segments

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Anchor-point $'000	YewTee Point $'000	Bedok Point* $'000	Changi City Point $'000	Group $'000
2020							
Revenue and expenses							
Gross rental income	65,930	40,375	6,129	11,089	4,812	18,855	147,190
Others	7,307	4,021	744	1,399	837	2,879	17,187
Gross revenue	73,237	44,396	6,873	12,488	5,649	21,734	164,377
Segment net property income	52,929	31,531	2,996	8,306	2,023	13,103	110,888
Interest income							14
Other income							586
Interest income from joint venture							2,211
Unallocated expenses*							(48,292)
Net income							65,407
Unrealised loss from fair valuation of derivatives							(1,095)
Share of results of associates							75,280
Share of results of joint ventures							11,200
Expenses in relation to acquisitions of an associate and a joint venture							(3,781)
Surplus on revaluation of investment properties	(157)	(2,619)	(3,621)	920	14,106	(3,882)	4,747
Total return for the year before tax							151,758
Taxation							(82)
Total return for the year							151,676

* Bedok Point has been reclassified to Asset Held for Sale as at 30 September 2020 (Note 11).

NOTES TO THE FINANCIAL STATEMENTS

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30. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Anchor-point $'000	YewTee Point $'000	Bedok Point $'000	Changi City Point $'000	Group $'000
2019							
Revenue and expenses							
Gross rental income	76,562	47,411	7,367	12,534	5,786	23,834	173,494
Others	9,896	5,678	1,188	1,909	720	3,501	22,892
Gross revenue	86,458	53,089	8,555	14,443	6,506	27,335	196,386
Segment net property income	65,765	39,213	3,808	10,308	2,663	17,526	139,283
Other income							131
Interest income from joint venture							587
Unallocated expenses*							(43,324)
Net income							96,677
Unrealised loss from fair valuation of derivatives							(998)
Share of results of associates							22,548
Share of results of joint ventures							6,409
Impairment loss on investment in joint venture							(1,132)
Expenses in relation to acquisitions of an associate and a joint venture							(10,838)
Surplus on revaluation of investment properties	75,884	1,547	3,045	2,672	21	10,121	93,290
Total return for the year before tax							205,956
Taxation							(11)
Total return for the year							205,945

* Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.

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30. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Anchor-point $'000	YewTee Point $'000	Bedok Point * $'000	Changi City Point $'000	Group $'000
As at 30 September 2020							
Assets and liabilities							
Segment assets	1,314,593	814,861	112,808	192,964	109,755	343,502	2,888,483
Investment in associate							696,406
Investment in joint venture							177,197
Loan to joint venture							113,810
Unallocated assets							7,515
Total assets							3,883,411
Segment liabilities	26,769	18,085	3,129	5,943	2,686	9,864	66,476
Unallocated liabilities							
– Trade and other payables							18,898
– Provision for taxation							86
– Financial derivatives							7,367
– Interest-bearing borrowings							1,252,308
Total liabilities							1,345,135
Other segmental information							
Allowance for doubtful receivables	626	336	20	64	46	205	1,297
Write back of allowance for doubtful receivables	(578)	(218)	(14)	(64)	(46)	(179)	(1,099)
Amortisation of lease incentives	(127)	1,136	(109)	(22)	116	442	1,436
Depreciation of fixed assets	12	8	16	4	5	11	56
Fixed assets write off	–	1	5	–	–	–	6
Capital expenditure							
– Investment properties	7,030	755	12	58	10	324	8,189
– Fixed assets	92	40	11	6	4	53	206

* Bedok Point has been reclassified to Asset Held for Sale as at 30 September 2020 (Note 11).

NOTES TO THE FINANCIAL STATEMENTS

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30. SEGMENT REPORTING (CONT'D)

(a) Business segments (cont'd)

	Causeway Point $'000	Northpoint City North Wing and Yishun 10 Retail Podium $'000	Anchor-point $'000	YewTee Point $'000	Bedok Point $'000	Changi City Point $'000	Group $'000
As at 30 September 2019							
Assets and liabilities							
Segment assets	1,303,265	812,136	114,720	190,584	95,231	343,458	2,859,394
Investment in associate							457,470
Investment in joint venture							177,273
Loan to joint venture							113,810
Unallocated assets							2,936
Total assets							3,610,883
Segment liabilities	32,251	22,821	4,372	5,585	3,548	12,884	81,461
Unallocated liabilities							
– Trade and other payables							17,572
– Provision for taxation							11
– Financial derivatives							975
– Interest-bearing borrowings							1,039,805
Total liabilities							1,139,824
Other segmental information							
Allowance for doubtful receivables	6	–	2	–	–	–	8
Write back of allowance for doubtful receivables	(16)	–	–	–	–	–	(16)
Amortisation of lease incentives	(133)	1,247	39	(147)	11	286	1,303
Depreciation of fixed assets	8	7	61	5	5	7	93
Amortisation of intangible assets	2	2	2	2	2	2	12
Capital expenditure							
– Investment properties	3,984	200	493	181	(10)	165	5,013
– Fixed assets	10	–	6	–	3	10	29

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31. COMMITMENTS

	Group and Trust	
	2020 $'000	2019 $'000
Capital expenditure contracted but not provided for	5,457	8,161

32. CONTINGENT LIABILITY

Pursuant to the tax transparency ruling from the IRAS, the Trustee and the Manager have provided a tax indemnity for certain types of tax losses, including unrecovered late payment penalties, that may be suffered by the IRAS should the IRAS fail to recover from Unitholders tax due or payable on distributions made to them without deduction of tax, subject to the indemnity amount agreed with the IRAS. The amount of indemnity, as agreed with the IRAS, is limited to the higher of $500,000 or 1.0% of the taxable income of the Trust each year. Each yearly indemnity has a validity period of the earlier of seven years from the relevant year of assessment and three years from the termination of the Trust.

33. LEASES

Leases as lessor

The Group leases out its investment property consisting of its owned retail properties as well as leased property (see Note 4). All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease, which the Group has classified as a finance sub-lease.

Operating lease

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Portfolio Statements set out information about the operating leases of investment property.

Rental income from investment properties recognised by the Group during 2020 was $147,190,000 (2019: $173,494,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	$'000
2020 – Operating leases under FRS 116	
Less than one year	140,913
One to two years	87,181
Two to three years	33,943
Three to four years	3,692
Four to five years	944
More than five years	1,841
Total	268,514
2019 – Operating leases under FRS 17	
Less than one year	155,557
Between one and five years	171,708
More than five years	2,690
Total	329,955

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34. FINANCIAL RATIOS

The following financial ratios are presented as required by RAP 7:

	Group	
	2020 %	2019 %
Expenses to weighted average net assets [1]:		
– including performance component of asset management fees	0.57	0.88
– excluding performance component of asset management fees	0.84	0.54
Portfolio turnover rate [2]	–	–

(1) The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Trust, excluding property expenses, interest expense and taxation.

(2) The annualised ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

35. SUBSEQUENT EVENTS

On 7 October and 27 October 2020, the Trust issued 244,681,000 and 324,639,666 new units at the issue price of $2.350 per unit and $2.340 per unit via a private placement and preferential offering respectively. The aggregate gross proceeds of $1,334.7 million have been utilised to fund the completion of acquisition of approximately 63.11% of the total issued share capital of AsiaRetail Fund Limited of $1,017,648,000 on 27 October 2020, paring down existing indebtedness of $284,881,000 and the remaining proceeds of $32,128,000 are earmarked to pay the estimated stamp duties, professional and other fees and expenses incurred or to be incurred by the Trust in connection with the acquisition and the Equity Fund Raising.

On 3 November 2020, the Manager declared a distribution of $48,944,000 (or 4.372 cents per unit) to Unitholders in respect of the period from 1 April 2020 to 30 September 2020 including release of retention of the distributable income of the Trust for the period from 1 October 2019 to 31 March 2020.

On 5 November 2020, the Trust issued 883,069 new units issued at a price of $2.4426 per Unit as payment of the following:-

- 20% of the performance fee component of its management fee for the period from 1 October 2019 to 31 December 2019;
- 20% of the performance fee component of its management fee for the period from 1 January 2020 to 31 March 2020;
- 50% of the performance fee component of its management fee for the period from 1 April 2020 to 30 June 2020; and
- 20% of the base fee component and performance fee component of its management fee for the period from 1 July 2020 to 30 September 2020.

On 9 November 2020, the Trust completed divestment of Bedok Point to Chempaka Pte Ltd at $108.0 million.

On 12 November 2020, the Manager declared a DPU clean-up of $1,478,000 (or 0.132 cents per unit) to Unitholders in respect of the period from 1 October 2020 to 6 October 2020.

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