

FRAGRANCE GROUP LIMITED
(Company Registration No. 200006656M)
(Incorporated in the Republic of Singapore)

UPDATE OF S\$1,000,000,000 MULTICURRENCY DEBT ISSUANCE PROGRAMME

The Board of Directors (the “**Board**”) of Fragrance Group Limited (the “**Company**”) refers to its S\$1,000,000,000 multicurrency debt issuance programme (the “**Programme**”) established on 3 October 2013, under which the Company may from time to time issue notes (the “**Notes**”) and perpetual securities (the “**Perpetual Securities**”) (the Notes and the Perpetual Securities are collectively referred to as “**Securities**”).

The Securities are constituted by a Trust Deed dated 3 October 2013 (the “**Trust Deed**”) made between the Company and HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”).

The Board wishes to announce that the Company and the Trustee have on 5 January 2015, executed a supplemental deed (the “**Supplemental Deed**”) in relation to the Trust Deed. The purpose of the Supplemental Deed is to record certain amendments (the “**Amendments**”) to the Trust Deed, as agreed between the Company and the Trustee. The purpose of the Amendments is to facilitate the Company’s current business requirements.

The Amendments are principally as follows:

- (a) to effect certain changes to the negative pledge and financial covenants contained in Clause 7 of the Trust Deed, and the consequential changes in Condition 4 of Part III of Schedule 1 to the Trust Deed;
- (b) to effect certain changes to the dividend and non-disposal covenants contained in Clause 16 of the Trust Deed;
- (c) to effect certain changes to the payment provisions to clarify that payments will be subject to FATCA (as defined in the Supplemental Deed) contained in Condition 7(c) of Part III of Schedule 1 to the Trust Deed and Condition 6(c) of Part III of Schedule 5 to the Trust Deed; and
- (d) to effect certain changes to the events of default contained in Condition 10(i) of Part III of Schedule 1 to the Trust Deed.

Additionally, the Amendments include the incorporation of provisions pertaining to FATCA and the Personal Data Protection Act 2012.

An extract setting out the Amendments is set forth in the Annexure to this Announcement.

Some of the Amendments are reflected in the revised Information Memorandum issued by the Company on 5 January 2015.

BY ORDER OF THE BOARD

Periakaruppan Aravindan
Executive Director and Company Secretary
5 January 2015

ANNEXURE
AMENDMENTS TO THE TRUST DEED

Pursuant to the Supplemental Deed, the Trust Deed is amended as follows:

1. by amending Clause 7.1 as follows:

1.1 by deleting Clause 7.1.3 in its entirety and by substituting therefor the following:

“7.1.3 any security on or over their respective assets acquired, renovated, refurbished or developed by it after the date of this Trust Deed for the sole purpose of financing the acquisition (including by way of acquisition of the shares in the company or entity owning (whether directly or indirectly) such assets), renovation, refurbishment or development or any refinancing thereof provided that the amount secured by the security over such asset may only be increased (i) up to 80 per cent. of the current market value of such asset at that time (as shown in the most recent valuation report prepared by an independent professional valuer and delivered by the Issuer to the Trustee at the relevant time) or (ii) in any other case, with the prior approval of the Noteholders by way of an Extraordinary Resolution;”;

1.2 by inserting the following paragraph after Clause 7.1.5:

“7.1.6 any security created over surplus proceeds received or to be received by it in respect of any development project (together with the rights attaching thereto) provided that (i) the amount secured by the security over such surplus proceeds may not exceed 80 per cent. of the amount of such surplus proceeds and (ii) such security shall rank *pari passu* with all security (if any) over such surplus proceeds; and”;

1.3 by re-numbering Clause 7.1.6 as Clause 7.1.7; and

1.4 by deleting Clause 7.2 in its entirety and by substituting therefor the following:

“7.2 The Issuer hereby covenants with the Trustee that, so long as any of the Notes remains outstanding, it will, at all times, ensure that:

7.2.1 the Consolidated Total Equity shall not at any time be less than S\$650,000,000; and

7.2.2 the ratio of Consolidated Net Debt to Consolidated Total Equity shall not at any time be more than 2.5:1.

For the purpose of this Clause 7.2 and the Conditions:

- (i) “**Consolidated Net Debt**” means Consolidated Total Debt less cash and cash equivalent balances;
- (ii) “**Consolidated Total Debt**” means an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation):
 - (a) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months of the Group;

- (b) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
 - (c) the liabilities of the Issuer under this Trust Deed or the Notes;
 - (d) all other indebtedness whatsoever of the Group for borrowed moneys; and
 - (e) any redeemable preference shares issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group; and
- (iii) **“Consolidated Total Equity”** means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:
- (a) the amount paid up or credited as paid up on the issued share capital of the Issuer;
 - (b) the amounts standing to the credit of the capital and revenue reserves (including capital redemption reserve fund, revaluation reserves and profit and loss account) of the Group on a consolidated basis; and
 - (c) the amount reflected as non-controlling interests of the Group on a consolidated basis,
- all as shown in the then latest audited consolidated balance sheet of the Group but after:
- (1) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraphs (a) and (b) above of the Group since the date of the latest audited consolidated balance sheet of the Group;
 - (2) excluding any sums set aside for future taxation; and
 - (3) deducting:
 - (aa) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group; and
 - (bb) any debit balances on consolidated profit and loss account.

For the avoidance of doubt, for the purposes of these definitions, any Perpetual Securities issued by the Issuer or any other member of the Group which are accounted for as “equity” shall be treated as such (and not as debt).”;

2. by inserting the words “, in each case, save for any prohibitions contained in any loan or credit facility granted to such subsidiary” after the word “subsidiary” appearing in line 4 of Clause 16.24;
3. by amending Clause 16.31 as follows:
 - 3.1 by deleting Clause 16.31.7 in its entirety and by substituting therefor the following:

“16.31.7 any disposal of shares in any subsidiary, associated company or jointly-controlled entity which are listed on any stock exchange;”;

3.2 by inserting the following paragraph after Clause 16.31.7:

“16.31.8 any disposal of shares in any subsidiary in connection with the listing of such subsidiary provided that it owns beneficially at least 51 per cent. of the shares of such subsidiary for a period of 12 months following such disposal;” and

3.3 by re-numbering Clause 16.31.8 as Clause 16.31.9;

4. by inserting the following paragraph after Clause 21.1.27:

“21.1.28 Notwithstanding anything in the Trust Deed or the Issue Documents to the contrary, the Trustee shall not do or be authorised or required to do, anything which might constitute a regulated activity for the purpose of Part 1 of Schedule 2 of the Securities and Future Act, Chapter 289 of Singapore (the “SFA”), unless it is authorised under the SFA to do so. The Trustee shall have the discretion at any time:

- (i) to delegate any of the functions which fall to the performed by an authorised person under the SFA to any other agent or person which also has the necessary authorisations and licences; and
- (ii) to apply for authorisation under the SFA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so.”;

5. by inserting the following clauses as Clause 36 and Clause 37 and renumbering the existing Clauses 36 to 38 accordingly:

“36 FATCA

36.1 The Issuer hereby covenants with the Trustee that following the receipt of a request from the Trustee for a determination as to the source and character for the U.S. Federal Income Tax purposes of any payment or be made by it pursuant to this Trust Deed or under any other Issue Document to enable the Trustee to determine whether or not it is obliged, in respect of any payments to be made by it hereunder or under any other Issue Document or in respect of any Note, to make any FATCA withholding, to use reasonable efforts to make such determination and to notify the Trustee the outcome of such determination.

36.2 The Trustee shall be entitled to deduct FATCA withholding and shall have no obligation to gross-up any payment hereunder or to pay and additional amount as a result of such FATCA withholding.

36.3 The Issuer agrees to provide to the Trustee, and consents to the collection, use and processing by the Trustee of, any authorisations, waivers, forms, documentation and other information, relating to its status (or the status of its direct or indirect owners or Noteholders) or otherwise required to be reported, under FATCA (“**FATCA Information**”). The Issuer further consents to the disclosure, transfer and reporting of such FATCA Information to any relevant government or taxing authority, any member of the HSBC Group, any subcontractors, agents, service providers or associates of the HSBC Group, and any person making payments to the Trustee or a member of the HSBC Group, including transfers to jurisdictions which do not have strict data protection or similar laws, to the extent that the Trustee reasonably determines that such disclosure, transfer or reporting is necessary or warranted to facilitate compliance with FATCA. The Issuer agrees to inform the Trustee promptly, and in any event, within 30 days in writing if there are any changes to the FATCA

Information supplied to the Trustee from time to time. The Issuer warrants that each person whose FATCA Information it provides (or has provided) to the Trustee has been notified of and agreed to, and has been given such other information as may be necessary to permit, the collection, use, processing, disclosure, transfer and reporting of their information as set out in this paragraph. The Trustee reserves the right to require the Issuer to produce documentary proof of the consents obtained from such persons, upon reasonable request made by the Trustee from time to time. For the purposes of this clause, the "**HSBC Group**" means HSBC Holdings plc, its subsidiaries and associated companies.

36.4 For the purpose of this Clause 36, "**FATCA**" means:

36.4.1 Sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulation, instruction or other official guidance, as amended from time to time;

36.4.2 Any treaty, law, regulation, instruction or other official guidance enacted or amended in any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of Clause 36.4.1 above;

36.4.3 Any agreement pursuant to the implementation of Clauses 36.4.1 or 36.4.2 above with the US Internal Revenue Service, the US Government or any governmental or taxation authority in any other jurisdiction; or

36.4.4 Any treaty, law, regulation, instruction or other official guidance analogous to Clauses 36.4.1 or 36.4.2 enacted or amended in any other jurisdiction from time to time, and any agreement pursuant to the implementation of any such treaty, law, regulation, instruction or other official guidance with any governmental or taxation authority in any jurisdiction.

37 **PDPA**

The Issuer consents to the Trustee and its authorised service providers and agents collecting, using and disclosing the personal data which the issuer may provide to the Trustee from time to time in the course of the relationship with the Trustee and in connection with this Deed, for purposes reasonably required by the Trustee to carry out its obligations to the issuer and for other related purposes, including auditing, monitoring and analysis of its business, fraud and crime prevention, anti-money laundering, legal and regulatory compliance and the marketing by the Trustee or members of the HSBC Group of other services, and such other purposes set out in the Trustee's prevailing data protection policy (as may be amended from time to time) (the "**Data Protection Policy**") which may be found at <http://www.hsbc.com.sg/1/2/miscellaneous/privacy-and-security>. Where the personal data provided by the Issuer is collected by the Issuer or from third party sources, the Issuer confirms and agrees that:

37.1 the relevant consents for the purposes notified in the Data Protection Policy have been procured by it from all relevant individuals to whom the personal data relates and it has retained proof of these consents, such proof to be provided to the Trustee upon request; and

37.2 it will provide all relevant individuals with copies of the Data Protection Policy for their perusal.";

6. by amending Condition 4(a) of Part III of Schedule 1 as follows:

6.1 by deleting Condition 4(a)(iii) in its entirety and by substituting therefor the following:

- “(iii) any security on or over their respective assets acquired, renovated, refurbished or developed by it after the date of the Trust Deed for the sole purpose of financing the acquisition (including acquisition by way of acquisition of the shares in the company or entity owning (whether directly or indirectly) such assets), renovation, refurbishment or development or any refinancing thereof provided that the amount secured by the security over such asset may only be increased (1) up to 80 per cent. of the current market value of such asset at that time (as shown in the most recent valuation report prepared by an independent professional valuer and delivered by the Issuer to the Trustee at the relevant time) or (2) in any other case, with the prior approval of the Noteholders by way of an Extraordinary Resolution;”;

6.2 by inserting the following paragraph after Condition 4(a)(v):

- “(vi) any security created over surplus proceeds received or to be received by it in respect of any development project (together with the rights attaching thereto) provided that (1) the amount secured by the security over such surplus proceeds may not exceed 80 per cent. of the amount of such surplus proceeds and (2) such security shall rank *pari passu* with all security (if any) over such surplus proceeds; and”;

6.3 by re-numbering Condition 4(a)(vi) as Condition 4(a)(vii);

7. by deleting Condition 4(b) of Part III of Schedule 1 in its entirety and by substituting therefor the following:

- “(b) The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will, at all times, ensure that:
- (i) the Consolidated Total Equity shall not at any time be less than S\$650,000,000; and
 - (ii) the ratio of Consolidated Net Debt to Consolidated Total Equity shall not at any time be more than 2.5:1.

For the purpose of this Condition 4(b):

- (1) “**Consolidated Net Debt**” means Consolidated Total Debt less cash and cash equivalent balances;
- (2) “**Consolidated Total Debt**” means an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation):
 - (A) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months of the Group;
 - (B) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
 - (C) the liabilities of the Issuer under the Trust Deed or the Notes;
 - (D) all other indebtedness whatsoever of the Group for borrowed moneys; and

- (E) any redeemable preference shares issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group; and
- (3) **“Consolidated Total Equity”** means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:
 - (A) the amount paid up or credited as paid up on the issued share capital of the Issuer;
 - (B) the amounts standing to the credit of the capital and revenue reserves (including capital redemption reserve fund, revaluation reserves and profit and loss account) of the Group on a consolidated basis; and
 - (C) the amount reflected as non-controlling interests of the Group on a consolidated basis,all as shown in the then latest audited consolidated balance sheet of the Group but after:
 - (aa) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraphs (A) and (B) above of the Group since the date of the latest audited consolidated balance sheet of the Group;
 - (bb) excluding any sums set aside for future taxation; and
 - (cc) deducting:
 - (I) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group; and
 - (II) any debit balances on consolidated profit and loss account.

For the avoidance of doubt, for the purposes of these definitions, any Perpetual Securities issued by the Issuer or any other member of the Group which are accounted for as “equity” shall be treated as such (and not as debt).”;

8. by deleting Condition 5(l)(b) of Part III of Schedule 1 in its entirety and by substituting therefor the following:

“(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 shown on the face of the Note. The amount of interest payable per Calculation Amount for any Fixed Rate Interest Period in respect of any Fixed Rate 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 and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

In this Condition 5(l)(b), “Fixed Rate Interest Period” means 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.”;

9. by deleting the words “In this Condition 5(e)(ii)” appearing in line 7 of Condition 6(e)(ii) of Part III of Schedule 1 and by substituting therefor the words “In this Condition 6(e)(ii)”;
10. by deleting Condition 7(c) of Part III of Schedule 1 in its entirety and by substituting therefor the following:

“(c) Payments subject to law etc.

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.”;

11. by deleting the words “otherwise than in the ordinary course of its business” appearing in line 2 of Condition 10(i) of Part III of Schedule 1 and by substituting therefor the words “otherwise than as permitted by, and in accordance with, Clause 16.31 of the Trust Deed”.
12. by deleting Condition 4(l)(f) of Part III of Schedule 5 in its entirety and by substituting therefor the following:

“(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 shown on the face of the Perpetual Security. The amount of distribution payable per Calculation Amount for any Fixed Rate Distribution Period in respect of any Fixed 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 face of the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.”; and

In this Condition 4(l)(f), “**Fixed Rate Distribution Period**” means 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;”;

13. by deleting Condition 6(c) of Part III of Schedule 5 in its entirety and by substituting therefor the following:

“(c) Payments subject to law etc.

All payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.”.