



ANNOUNCEMENT

7 MARCH 2018

**PROPOSED ISSUE OF S\$300,000,000 5.65 PER CENT. SUBORDINATED PERPETUAL SECURITIES
PURSUANT TO THE S\$1,500,000,000 MULTICURRENCY DEBT ISSUANCE PROGRAMME**

ARA Asset Management Limited (the "**Issuer**"), wishes to announce that it proposes to issue S\$300,000,000 in aggregate principal amount of 5.65 per cent subordinated perpetual securities comprised in Series 002 (the "**Series 002 Securities**") pursuant to the S\$1,500,000,000 Multicurrency Debt Issuance Programme (the "**Programme**") established by the Issuer on 29 June 2017 and updated on 12 February 2018.

Oversea-Chinese Banking Corporation Limited has been appointed as the sole lead manager for the Series 002 Securities.

Unless otherwise defined herein, the terms used in this announcement and which are defined in the terms and conditions of the Series 002 Securities (the "**Conditions**") shall bear the same meanings ascribed to them in the Conditions.

The principal terms of the Series 002 Securities will be as follows:

- (a) **Issue Size** : S\$300,000,000
- (b) **Issue Price** : 100 per cent. of the principal amount of the Series 002 Securities.
- (c) **Form** : Registered
- (d) **Denomination** : S\$250,000
- (e) **Status** : The Series 002 Securities will 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 (as defined in the Conditions) of the Issuer.
- (f) **Maturity Date** : The Series 002 Securities are perpetual and have no fixed final redemption date.
- (g) **Distribution Rate** : In respect of the period from (and including) the Distribution Commencement Date to (but excluding) 14 March 2028 (the "**First Reset Date**"), 5.65 per cent. per annum plus (if applicable) the Change of Control Margin (as defined below), payable semi-annually in arrear.

In respect of the period from (and including) the First Reset Date and each date falling every ten (10) years after the First Reset Date (each, a "**Reset Date**") to (but excluding) the immediately following Reset Date, at a rate equivalent to the SGD Swap Offer Rate plus the initial spread of 3.128 per cent. plus the step-up margin of 3.00 per cent. plus (if applicable) the Change of Control Margin, payable semi-annually in arrear.

In the event that a Change of Control (as defined in the Conditions) has occurred, so long as the Issuer has not already redeemed the Series 002 Securities in accordance with Condition 5(f) (*Redemption Upon a Change of Control*), the then prevailing Distribution Rate shall be increased by 3.00 per cent. (the "**Change of Control Margin**") immediately following the date on which the Change of Control occurred (or, if the Change of Control 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).

- (h) **Redemption at the Option of the Issuer** : The Series 002 Securities may be redeemed at the option of the Issuer on 14 March 2023 or on any Distribution Payment Date (as defined in the Conditions) thereafter.
- (i) **Redemption upon a Change of Control** : The Series 002 Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date on giving no less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at par (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), following the occurrence of a Change of Control.
- (j) **Other Redemption** : The Series 002 Securities may also be redeemed upon the occurrence of certain other redemption events to be specified in the pricing supplement for the Series 002 Securities.
- (k) **Distribution Discretion** : 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 to the Trustee, the Issuing and Paying Agent, and the Series 002 Securityholders (in accordance with the Conditions) not more than 15 nor less than five (5) business days prior to a scheduled Distribution Payment Date.
- (l) **Cumulative Deferral** : Any distribution deferred pursuant to Condition 4(IV) of the Series 002 Securities shall constitute "**Arrears of Distribution**". The Issuer may, at its sole discretion, elect to further defer any Arrears of Distribution (in the circumstances set out in Condition 4(IV)(a)) by complying with the notice requirement in Condition 4(IV)(a) of the

Series 002 Securities. There is no limit on the number of times with respect to which the Issuer can defer pursuant to Condition 4(IV) of the Series 002 Securities.

- (m) **Additional Distribution** : Each amount of Arrears of Distribution (as defined in the Conditions) shall bear interest as if it constituted the principal of the Series 002 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 Series 002 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.
- (n) **Restrictions in the case of Non-Payment** : If on any Distribution Payment Date, payments of all distributions scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the Series 002 Securities, the Issuer shall not and shall procure that none of its 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 the Issuer's Junior Obligations (as defined in the Conditions) or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations (as defined in the Conditions); 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 the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified 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 (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Specified Parity Obligations of the Issuer for the Junior Obligations of the Issuer, unless and until (A) the Issuer has satisfied in full all outstanding Arrears of Distribution or (B) the Issuer is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Series 002 Securityholders.



- (o) **Redemption Price** : 100 per cent. of the principal amount of the Series 002 Securities then outstanding.

The Series 002 Securities are expected to be issued on or around 14 March 2018.

The net proceeds arising from the issue of the Series 002 Securities will be used for general corporate purposes and financing investments of the Issuer, its subsidiaries, its associated companies and/or its joint venture companies.

The Series 002 Securities will be offered by the Issuer in Singapore pursuant to exemptions invoked under Sections 274 and/or 275 of the Securities and Futures Act (Chapter 289 of Singapore).

Application will be made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in, and for the listing and quotation of the Series 002 Securities on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of the Series 002 Securities on the SGX-ST are not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), its joint venture companies (if any), the Programme and/or the Series 002 Securities.

BY ORDER OF THE BOARD
ARA ASSET MANAGEMENT LIMITED

Lim Hwee Chiang
Director

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