



ASPIAL CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 197001030G)

(the “Company”)

ANNOUNCEMENT

THE PROPOSED ALLOTMENT AND ISSUE OF PERPETUAL SECURITIES PURSUANT TO THE PROPOSED EXCHANGE OFFER AS INTERESTED PERSON TRANSACTIONS

1. Introduction

1.1 The Company refers to:

- 1.1.1 the S\$700,000,000 Multicurrency Debt Issuance Programme of the Company and Aspial Treasury Pte. Ltd. (“**Aspial Treasury**”) and (in respect of securities issued by Aspial Treasury) unconditionally and irrevocably guaranteed by the Company (the “**Programme**”);
- 1.1.2 the Company’s S\$50,000,000 fixed rate notes due March 2025 (ISIN: SGXF39054444) comprised in Series 007 issued pursuant to the Programme (the “**Series 007 Notes**”);
- 1.1.3 Aspial Treasury’s S\$75,000,000 6.15 per cent. notes due January 2024 (ISIN: SGXF20337501) comprised in Series 008 issued pursuant to the Programme and guaranteed by the Company (the “**Series 008 Notes**”); and
- 1.1.4 Aspial Treasury’s S\$70,000,000 6.00 per cent. notes due July 2024 (ISIN: SGXF22368025) comprised in Series 009 issued pursuant to the Programme and guaranteed by the Company (the “**Series 009 Notes**”),

(the Series 007 Notes, the Series 008 Notes and the Series 009 Notes, collectively, the “**Existing Notes**”, and the holders of the Existing Notes, the “**Existing Noteholders**”).

1.2 The board of directors (the “**Board**”) of the Company wishes to announce that the Company (in the case of the Series 007 Notes) and Aspial Treasury (in the case of the Series 008 Notes and the Series 009 Notes) intend to launch an exchange offer exercise to invite Existing Noteholders to exchange any and all of their Existing Notes for a like principal amount of Singapore dollar-denominated fixed rate subordinated perpetual securities proposed to be issued by the Company under the Programme (the “**Perpetual Securities**”) (the “**Proposed Exchange Offer**”).

1.3 **Shareholders’ Approval.** As some of the Existing Noteholders constitute interested persons of the Company for the purposes of Rule 904 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), and the Interested Parties (as defined below) are intending to offer to exchange some or all of their Existing Notes for Perpetual Securities pursuant to the Proposed Exchange Offer, the Board intends to convene an extraordinary general meeting of the Company (“**EGM**”) to seek approval from shareholders of the Company (the “**Shareholders**”) for the proposed allotment and issue of the Perpetual Securities as Interested Person Transactions under Rule 906 of the Listing Manual pursuant to the Proposed Exchange Offer (the “**Proposed Resolution**”).

2. Background

2.1 The Proposed Exchange Offer. The Company (in the case of the Series 007 Notes) and Aspial Treasury (in the case of the Series 008 Notes and the Series 009 Notes) are intending to launch the Proposed Exchange Offer to allow the Existing Noteholders to elect to exchange any and all of their Existing Notes for a like principal amount of the Perpetual Securities, subject to the terms and conditions to be set out in the exchange offer memorandum to be issued to the Existing Noteholders. The proposed key terms of the Perpetual Securities are set out in Appendix A to this announcement.

2.2 Exchange Consideration. The proposed exchange consideration is comprised of the sum of (i) a principal amount of Perpetual Securities equal to 100 per cent. of the principal amount (i.e., the par value) of Existing Notes which have been offered for exchange for Perpetual Securities (the “**Offered Notes**”) and which have been accepted for exchange pursuant to the Proposed Exchange Offer, and (ii) an amount in cash equal to the amount of accrued and unpaid interest in respect of the Offered Notes which have been accepted for exchange pursuant to the Proposed Exchange Offer, calculated in accordance with the terms and conditions of such Offered Notes (the “**Accrued Interest**”) (the “**Exchange Consideration**”).

Assuming that the entire aggregate principal amount of the Existing Notes held by each Interested Party will be offered for exchange into Perpetual Securities pursuant to the Proposed Exchange Offer and held by such Interested Party until the First Reset Date (as set out in Appendix A), the aggregate value of the Specific IPTs (as defined below) would include the distribution payable. As an illustration, the distribution payable up to the First Reset Date is S\$51,818,000 (assuming that distributions are paid based on the Distribution Rate (as set out in Appendix A) for the relevant period from the Issue Date (as set out in Appendix A) until the First Reset Date on the principal amount of the Perpetual Securities which have been issued as part of the Exchange Consideration). As the Perpetual Securities do not have a fixed redemption date and are only redeemable at the option of the Company on or after the First Reset Date, Shareholders should note that the aggregate value of the Specific IPTs may exceed such amount if the Company does not elect to redeem the Perpetual Securities on the First Reset Date.

Additionally, as the principal amount of Perpetual Securities to be issued pursuant to the Proposed Exchange Offer is equal to 100 per cent. of the principal amount of the Offered Notes, the ability of the Company and Aspial Treasury to issue further debt securities pursuant to the Programme will remain unchanged following the completion of the Proposed Exchange Offer.

The terms and conditions of the Perpetual Securities and the Exchange Consideration were arrived at after taking into account the prevailing interest rate environment and the customary terms applicable to perpetual securities as well as the Company's financial performance and its existing capital structure.

2.3 Conditional on Shareholder Approval. As the Interested Parties hold a significant proportion of the Existing Notes, the utility of the Proposed Exchange Offer will depend, in large part, on the ability of the Interested Parties to participate in Proposed Exchange Offer. As such, the consummation of the Proposed Exchange Offer (if and when made) and the issuance of the Perpetual Securities will be subject to and conditional on the approval of the Proposed Resolution.

3. Rationale for the Proposed Exchange Offer

- 3.1 Refinancing Existing Notes.** The Series 007 Notes are due March 2025, the Series 008 Notes are due January 2024 and the Series 009 Notes are due July 2024. Given the upcoming maturity of the Existing Notes over the next two years, the Proposed Exchange Offer would serve to refinance the Existing Notes through the issuance of Perpetual Securities, which are redeemable only at the option of the Company.
- 3.2 Minimising costs associated with the refinancing.** The Company believes that the Proposed Exchange Offer will minimise the need for separate refinancing exercises in respect of the Existing Notes that are exchanged for Perpetual Securities, due in part to the fact that the Perpetual Securities do not have a fixed redemption date and are redeemable only at the option of the Company. This is likely to reduce legal costs and professional fees which are incurred with each refinancing exercise.
- 3.3 Improving Leverage Ratio.** The rationale for the Proposed Exchange Offer is also to improve the overall leverage ratio of the Company, as the Perpetual Securities will be classified as an equity-like instrument for the purposes of the financial statements of the Company.

4. Illustrative Financial Effects

- 4.1 For illustrative purposes only,** the financial effects of the Proposed Exchange Offer on the (a) net tangible assets (“NTA”) per Aspial Share (as defined below), (b) earnings per share (“EPS”) of the Company and (c) net debt to total equity, are based on the unaudited financial statements of the Company for the period of 1 January 2023 to 30 June 2023, being the latest published financial statements of the Company available as at the date of this announcement.
- 4.2** The said illustrative financial effects have also been prepared on the assumption that the entire aggregate principal amount of Existing Notes held by all Existing Noteholders (including the Interested Parties) are exchanged for a like principal amount of the Perpetual Securities pursuant to the Proposed Exchange Offer.
- 4.3 NTA per Aspial Share (Half Year 2023).** The pro forma financial effects of the consolidated NTA per Aspial Share as at 30 June 2023, assuming the Proposed Exchange Offer had been completed on 30 June 2023, are as follows:

	Before Proposed Exchange Offer	After Proposed Exchange Offer
NTA (S\$'000) ⁽¹⁾	393,167	586,682
Number of issued Aspial Shares (excluding treasury shares) ('000) ⁽²⁾	2,155,839	2,155,839
NTA per Aspial Share (in cents)	18.24	27.21

Notes:

(1) NTA is calculated as Total Equity + Deferred Tax Liabilities - Deferred Tax Assets - Intangible Assets.

(2) Based on the number of issued Aspial Shares as at 30 June 2023.

- 4.4 EPS (Half Year 2023).** The pro forma financial effects on the consolidated EPS of the Company as at 30 June 2023 assuming the Proposed Exchange Offer had been completed on 1 January 2023, are as follows:

	Before Proposed Exchange Offer	After Proposed Exchange Offer
EPS (in cents) (Before distribution to holders of the Perpetual Securities)	(0.69)	(0.43)
EPS (in cents) (After distribution to holders of the Perpetual Securities)	(0.69)	(0.72)

- 4.5 Debt to Equity (Half Year 2023).** The pro forma financial effects on the Company's net debt to total equity as at 30 June 2023 assuming the Proposed Exchange Offer had been completed on 1 January 2023, are as follows:

	Before Proposed Exchange Offer	After Proposed Exchange Offer
Net Debt to Total Equity	2.43	1.27

- 4.6** The financial effects illustrated above arise primarily due to the following:

- (i) the Perpetual Securities do not have a maturity date and the Company is able to elect to defer making a distribution, subject to the terms and conditions of the Perpetual Securities issued. The Company is not considered to have a contractual obligation to make principal repayments or distributions in respect of the Perpetual Securities issued and as such the Perpetual Securities do not meet the definition to be classified as a financial liability¹. Accordingly, the Perpetual Securities are presented within equity on the Company's statement of financial position; and
- (ii) the distributions payable on the Perpetual Securities are treated as dividends which will be directly debited from equity.

5. Interested Person Transactions

- 5.1 Existing Noteholders who are Interested Persons.** The following Existing Noteholders are interested persons (collectively, the "**Interested Parties**") pursuant to Rule 904(4) of the Listing Manual:

- (iii) Mr Koh Wee Seng is a Director, the Chief Executive Officer and controlling shareholder of the Company, holding a direct and deemed interest in 1,628,250,009 ordinary shares of the Company ("**Aspial Shares**"), representing approximately 73.25 per cent. of the total issued Aspial Shares.
- (iv) Ms Koh Lee Hwee is a Director and controlling shareholder of the Company, holding a direct and deemed interest in 1,278,598,202 Aspial Shares, representing approximately 57.52 per cent. of the total issued Aspial Shares.

¹ According to the Singapore Financial Reporting Standards (International) 1-32 *Financial Instruments*.

- (v) Ms Ko Lee Meng is a Director and controlling shareholder of the Company, holding a direct and deemed interest in 1,238,681,622 Aspial Shares, representing approximately 55.72 per cent. of the total issued Aspial Shares.
- (vi) Mr Ng Sheng Tiong is an Executive Director and Chief Executive Officer of World Class Global Pte. Ltd., a subsidiary of the Company. He is the husband of Ms Koh Lee Hwee.
- (vii) Mdm Tan Su Lan is the mother of Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee.
- (viii) Mr Koh Wee Meng is the brother of Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee.
- (ix) AF Global Investment Holding Pte. Ltd. is a company in which Mr Koh Wee Seng and Mr Koh Wee Meng have an interest of 30 per cent. or more.
- (x) DN Global Pte. Ltd. is a company in which Ms Koh Lee Hwee has an interest of 30 per cent. or more.
- (xi) MLHS Holdings Pte Ltd is the holding company of the Company.
- (xii) Ms Lim Kwee Hua is the spouse of Mr Koh Wee Seng.
- (xiii) Mr Koh Yong Hui, Kelvin is the child of Ms Ko Lee Meng.
- (xiv) Mr Xavier Koh Hong Wei is the child of Mr Koh Wee Seng.

5.2 Existing Notes Held by Interested Parties. The aggregate principal amount of Existing Notes held by each Interested Party as at the date of this announcement is as follows:

	Aggregate principal amount of Existing Notes held (\$\$)			
Name of Interested Party	Series 007	Series 008	Series 009	Total
Koh Wee Seng	14,750,000	25,250,000	-	40,000,000
Ko Lee Meng	2,500,000	3,000,000	-	5,500,000
Koh Lee Hwee	1,000,000	3,500,000	-	4,500,000
Koh Wee Meng	-	5,000,000	59,000,000	64,000,000
AF Global Investment Holding Pte Ltd	8,000,000	3,000,000	-	11,000,000
Tan Su Lan	6,000,000	1,250,000	-	7,250,000
Ng Sheng Tiong	-	4,750,000	4,000,000	8,750,000
Lim Kwee Hua	7,750,000	750,000	-	8,500,000
DN Global Pte. Ltd.	2,750,000	-	-	2,750,000
MLHS Holdings Pte Ltd	-	3,500,000	-	3,500,000
Koh Yong Hui, Kelvin	500,000	750,000	-	1,250,000
Xavier Koh Hong Wei	-	500,000	-	500,000
Total	43,250,000	51,250,000	63,000,000	157,500,000

5.3 Interested Person Transactions. The participation by the Interested Parties in the Proposed Exchange Offer would be Interested Person Transactions (the "**Specific IPTs**") and therefore subject to Chapter 9 of the Listing Manual.

5.4 Chapter 9 of the Listing Manual. The Company is considered an "entity at risk" for the purposes of Chapter 9 of the Listing Manual in relation to the Specific IPTs. Under Chapter 9 of the Listing Manual, where an entity at risk proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of the group's latest audited net tangible assets, shareholders' approval is required in respect of the transaction.

Under Rule 908(1) of the Listing Manual:

- (i) Transactions between (a) an entity at risk and a primary interested person; and (b) an entity at risk and an associate of that primary interested person, are deemed to be transactions between an entity at risk with the same interested person.
- (ii) Transactions between (a) an entity at risk and a primary interested person; and (b) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person.

5.5 Same Interested Person Aggregate Value. The Interested Parties under the Specific IPTs are treated as the "same interested person" under Rule 908(1) of the Listing Manual. Accordingly:

- (i) the total value of the Specific IPTs with the Interested Parties (assuming that the entire aggregate principal amount of the Existing Notes held by each Interested Party will be offered for exchange into Perpetual Securities pursuant to the Proposed Exchange Offer and held by such Interested Party until the First Reset Date)² (i.e., S\$213,253,000); and
- (ii) the total value of other interested person transactions (excluding transactions which are less than S\$100,000) entered into between the Company, its subsidiaries and associated companies (the "**Aspial Group**"), and (a) the Interested Parties and (b) associates of the Interested Parties, for the current financial year commencing on 1 January 2023 up to the date of this announcement (i.e., S\$5,446,000),

would have to be aggregated for the purposes of Rule 906(1) of the Listing Manual (the "**Same Interested Person Aggregate Value**"). The Same Interested Person Aggregate Value is S\$218,699,000, which represents approximately 52.58 per cent. of the latest audited consolidated adjusted NTA of S\$415,928,000 of the Aspial Group as at 31 December 2022 (the "**Aspial Group NTA**"). For the purposes of calculating the foregoing values of the Specific IPTs, the Company has assumed the full exchange of the Existing Notes held by each Interested Party into the Perpetual Securities and that such Perpetual Securities are held until the First Reset Date. The value of the Specific IPTs so calculated comprises (a) the Exchange Consideration for the Existing Notes² tendered by the Interested Parties and (b) the distribution payable, assuming that distributions are paid based on the Distribution Rate for the relevant

² The Accrued Interest has been determined on the assumption that the exchange of the Existing Notes for the Perpetual Securities pursuant to the Proposed Exchange Offer is completed on 31 October 2023.

period from the Issue Date until the First Reset Date on the principal amount of the Perpetual Securities which have been issued as part of the Exchange Consideration. As the Perpetual Securities do not have a fixed redemption date and are only redeemable at the option of the Company on or after the First Reset Date, Shareholders should note that the aggregate value of the Specific IPTs may exceed such amount if the Company does not elect to redeem the Perpetual Securities on the First Reset Date.

- 5.6 Aggregate Value of Interested Person Transactions.** The aggregate value of all interested person transactions entered into by the Aspiat Group for the current financial year commencing on 1 January 2023 up to the date of this announcement (excluding transactions which are less than S\$100,000 and the Specific IPTs) is S\$5,446,000.
- 5.7 Shareholders' Approval pursuant to Chapter 9 of the Listing Manual.** The Same Interested Person Aggregate Value represents more than five (5) per cent. of the Aspiat Group NTA. Accordingly, the Specific IPTs are subject to the approval of the independent Shareholders at the EGM pursuant to Rule 906(1)(a) of the Listing Manual.
- 5.8 IFA.** Pursuant to Rule 921(4)(a) of the Listing Manual, ZICO Capital Pte. Ltd. (the "IFA") has been appointed as the independent financial adviser to advise the directors of the Company who are considered independent for the purposes of the Specific IPTs on whether the terms of the Specific IPTs are on normal commercial terms and will be prejudicial to the interests of the Company and its minority Shareholders.
- 5.9 Opinion of Audit Committee.** The Audit Committee comprises Mr Wong Soon Yum, Ms Ng Bie Tjin @ Djuniarti Intan, Mr Ong Tuen Suan and Ms Ko Lee Meng. As Ms Ko Lee Meng is a director and controlling shareholder of the Company, and accordingly considered to be interested in the Specific IPTs, she has abstained from issuing a view on the Specific IPTs.

Having considered, inter alia, the terms and rationale of the Specific IPTs, the Audit Committee (other than Ms Ko Lee Meng) is of the view that the Specific IPTs are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

- 5.10 Circular and Abstentions.** The Company shall, in due course, convene the EGM to seek the approval of the independent Shareholders for the Specific IPTs, and shall issue a circular to the Shareholders in connection therewith (the "Circular"). The Circular will contain the opinion and advice of the IFA and the Audit Committee. The Interested Parties, and each of their respective associates, will abstain from voting on the resolutions to be proposed at the EGM.

6. Further Information

- 6.1 Documents Available for Inspection.** Copies of the Constitution of the Company and the annual report of the Company for FY2022 are available for inspection at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, for a period of three (3) months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Lim Swee Ann
Company Secretary
21 August 2023

APPENDIX A

PROPOSED KEY TERMS OF THE PERPETUAL SECURITIES

The proposed principal terms of the Perpetual Securities are as follows:

Issue	Singapore dollar-denominated fixed rate subordinated perpetual securities to be issued under the Programme.
Maturity Date	The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date.
Status of Perpetual Securities	The Perpetual Securities will constitute direct, unconditional, subordinated and unsecured obligations of the Company and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and <i>pari passu</i> with any Parity Obligations of the Company.
Ranking of claims on Winding-up	Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-up of the Company, the rights of the Perpetual Securityholders to payment of principal of and distribution on the Perpetual Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company but at least <i>pari passu</i> with all other subordinated obligations of the Company that are not expressed by their terms to rank junior to the Perpetual Securities and in priority to the claims of shareholders of the Company.
Limited right to institute proceedings	The right to institute proceedings for Winding-Up of the Company is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Company has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.
Distribution Rate	The Distribution Rate of the Perpetual Securities shall be: (i) in respect of the period from (and including) the Distribution Commencement Date to (but excluding) the Step-Up Date, 6.50 per cent. per annum; (ii) in respect of the period from (and including) the Step-Up Date to (but excluding) the First Reset Date, 6.70 per cent. per annum; and (iii) in respect of the period from (and including) the First Reset Date and each Reset Date falling thereafter to (but excluding) the immediately following Reset Date, the applicable Reset Distribution Rate.
Distribution Commencement Date	The date on which the Perpetual Securities are issued (the “ Issue Date ”).

Step-Up Date	The date falling three (3) years from the Issue Date.
First Reset Date	The date falling five (5) years from the Issue Date.
Reset Date	The First Reset Date and each date falling every five (5) years after the First Reset Date.
Reset Distribution Rate	The Relevant Rate plus the Initial Spread plus the Step-Up Margin.
Relevant Rate	5-year SORA-OIS.
Initial Spread	To be determined by the Company prior to the launch of the Proposed Exchange Offer.
Step-Up Margin	0.2% per annum
Distribution Payment Date(s)	Each date which falls the six (6) 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).
Redemption at the Option of the Company	The Company may on irrevocable notice being given to the Perpetual Securityholders, redeem in whole, but not in part, the Perpetual Securities on the First Reset Date or any Distribution Payment Date thereafter.

Distribution Discretion under Condition 4(IV) of the Perpetual Securities

Optional Payment under Condition 4(IV)(a) of the Perpetual Securities	The Company 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 of the Perpetual Securities (the “Trustee”) and the issuing and paying agent of the Perpetual Securities (the “Issuing and Paying Agent”) and the Perpetual Securityholders (in accordance with the notice provisions in Condition 14 of the Perpetual Securities) not more than 10 nor less than five business days prior to a scheduled Distribution Payment Date. The Company may not elect to defer any distribution if during the 12 months ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a “Compulsory Distribution Payment Event”) have occurred: (i) a discretionary dividend, distribution or other payment has been declared or paid on or in respect of any of the Company’s Junior Obligations or, (except on a <i>pro rata</i> basis) any of the Company’s Parity Obligations; or
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- (ii) any of the Company's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, (except on a *pro rata* basis) any of the Company's Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (A) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, consultants or directors of the Group or (B) as a result of the exchange or conversion of Parity Obligations of the Company for Junior Obligations of the Company. For the avoidance of doubt, a Compulsory Distribution Payment Event shall not occur, and accordingly nothing in Condition 4(IV)(a) of the Perpetual Securities shall restrict the Company from electing to defer any distribution, merely as a result of any dividends, distributions or payments or other actions made by the Company in respect of obligations which are not the Company's Junior Obligations or which are not the Company's Parity Obligations.

No Obligation to Pay under Condition 4(IV)(b) of the Perpetual Securities

Subject to Condition 4(IV)(c) and Condition 4(IV)(d) of the Perpetual Securities, the Company 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 Company in respect of the Perpetual Securities.

Cumulative Deferral under Condition 4(IV)(c) of the Perpetual Securities

Any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities shall constitute "**Arrears of Distribution**". The Company may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a) of the Perpetual Securities) further defer any Arrears of Distribution by complying with the notice requirement in Condition 4(IV)(e) of the Perpetual Securities applicable to any deferral of an accrued distribution. The Company 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.

Restrictions in the case of Non-Payment under Condition 4(IV)(d) of the Perpetual Securities

If 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 Company shall not:

- (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 Company's Junior Obligations or, (except on a *pro rata* basis) any of the Company'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 the Company's Junior Obligations or, (except on a *pro rata* basis) any of the Company's Parity Obligations,

in each case, other than (A) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, consultants or directors of the Group or (B) as a result of the exchange or conversion of Parity Obligations of the Company for Junior Obligations of the Company unless and until (I) the Company has satisfied in full all outstanding Arrears of Distribution or (II) the Company is permitted to do so by an extraordinary resolution of the Perpetual Securityholders.

Satisfaction of Arrears of Distribution under Condition 4(IV)(e) of the Perpetual Securities

The Company:

- (i) may, at its sole discretion, satisfy an Arrears of Distribution, (in whole or in part) at any time by giving notice of such election to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with the notice provisions in Condition 14 of the Perpetual Securities) not more than 20 nor less than 10 business days prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Company to pay the relevant 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 the terms and conditions of the Perpetual Securities;
 - (B) the next Distribution Payment Date following the occurrence of a breach of Condition 4(IV)(d) of the Perpetual Securities or the occurrence of a Compulsory Distribution Payment Event; and
 - (C) the date such amount becomes due under Condition 9 of the Perpetual Securities or on a Winding-up of the Company.

Any partial payment of an Arrears of Distribution by the Company shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro rata* basis.

Definitions used:

"Conditions" : The terms and conditions of the Perpetual Securities.

"Junior Obligations"	:	Any of the Company's 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 the Company that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities.
"Parity Obligations"	:	Any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Company (1) which ranks or is expressed to rank, by its terms or by operation of law, <i>pari passu</i> with the Perpetual Securities 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 Company and/or, in the case of an instrument or security guaranteed by the Company, the issuer thereof
"Perpetual Securityholders"	:	Holders of the Perpetual Securities
"Winding-up"	:	Bankruptcy, winding-up, liquidation, receivership or similar proceedings