

SG Issuer

(Incorporated in Luxembourg with limited liability)

MODIFICATION ANNOUNCEMENT

SG Issuer (the “**Issuer**”) refers to the modification announcement dated 7 October 2021 (the “**October 2021 Modification Announcement**”), the European Style Cash Settled Long Certificates issued by the Issuer and listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) over units of trusts or funds or securities that are traded on the SGX-ST (the “**Singapore Stock Long Certificates**”), and the European Style Cash Settled Long Certificates issued by the Issuer and listed on the SGX-ST over the SGI 7x Daily Leveraged Index on MSCI Singapore Index (the “**SGIMSCI 7x Long Certificates**”) and the SGI 5x Daily Leveraged Index on MSCI Singapore Index (the “**SGIMSCI 5x Long Certificates**”; together with the SGIMSCI 7x Long Certificates, the “**SGIMSCI Long Certificates**”) and the European Style Cash Settled Short Certificates issued by the Issuer and listed on the SGX-ST over the SGI -7x Daily Inverse Index on MSCI Singapore Index and the SGI -5x Daily Inverse Index on MSCI Singapore Index (the “**SGIMSCI Short Certificates**”; together with the SGIMSCI Long Certificates, the “**SGIMSCI Certificates**”).

Terms defined or construed in the relevant supplemental listing documents in relation to the Singapore Stock Long Certificates and the SGIMSCI Certificates bear the same meaning and construction in this Announcement.

In respect of the Singapore Stock Long Certificates, as provided in the October 2021 Modification Announcement, the term of “**%SpreadLevel_t**” was deleted from the Leverage Strategy Formula with effect from 8 October 2021 due to the lack of an appropriate term reference rate. It is an industry standard for leverage products similar to the Singapore Stock Long Certificates to include a spread on top of an overnight funding rate, and consistent with this approach all the European Style Cash Settled Long Certificates issued by the Issuer and listed on the SGX-ST other than the Singapore Stock Long Certificates include such spread. The Issuer would as such like to add the term of “**%SpreadLevel_t**” back to the Leverage Strategy Formula of the Singapore Stock Long Certificates with effect from 7 March 2022 (the “**Effective Date**”). Furthermore, due to USD LIBOR being discontinued, the term of “**%SpreadLevel_t**” to be added back will be set at a fixed rate for the remainder of its term until expiry (subject to change by the Issuer on giving 10 Business Days’ notice to investors via SGXNet). Accordingly, in respect of relevant termsheets and supplemental listing documents of the Singapore Stock Long Certificates, the term of “**Rate_t**” shall be deleted from the Leverage Strategy Formula and replaced in its entirety with the following:

Rate_t means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:

$$\text{Rate}_t = \text{CashRate}_t + \% \text{SpreadLevel}_t$$

CashRate_t means, in respect of each Observation Date(t), the daily Singapore Overnight Rate Average (SORA) provided by the Monetary Authority of Singapore as administrator of the benchmark (or a successor administrator), as published on BLOOMBERG/SIBCSORA Index or any successor page, being the rate as of day (t-2) at 09:00 Singapore time, provided that if such rate is not available, then such rate shall be determined by reference to the last available rate that was published on Refinitiv Screen (SORA=MAST) or any successor page.

%SpreadLevel_t 0.23%, subject to change by the Issuer on giving 10 Business Days' notice to investors via SGXNet.

As a result of the "**%SpreadLevel_t**" being added back and set at the fixed rate of 0.23%, the Funding Cost for the Singapore Stock Long Certificates will be increased by approximately $(\text{Leverage} - 1) \times 0.23\%$ (i.e. 0.92%) on a per annum basis. No further action by the holders of the Singapore Stock Long Certificates is required, and with effect from the Effective Date, the fixed rate of "**%SpreadLevel_t**" to be added back will be reflected in the Funding Cost of the Singapore Stock Long Certificates which will be published on the website at dlc.socgen.com at the end of each trading day for the the Singapore Stock Long Certificates.

In respect of the Singapore Stock Long Certificates to be issued after the date of this Announcement (the "**New Issues of Singapore Stock Long Certificates**"), the rate for the "**%SpreadLevel_t**" may vary depending on the market conditions at the point of issue and will be disclosed in the relevant termsheets and supplemental listing documents of New Issues of Singapore Stock Long Certificates.

In addition, in line with the reasons set out in the October 2021 Modification Announcement and the amendments above relating to setting "**%SpreadLevel_t**" at a fixed rate, the Issuer wishes to update that the following amendments will be made to the terms of the SGIMSCI Certificates in line with the changes to the Leveraged Index methodology:

- (i) under the "**Leveraged Index Formula**" in the "**INFORMATION RELATING TO THE LEVERAGED INDEX**" section of the relevant supplemental listing documents in relation to the SGIMSCI Long Certificates, the terms of "**Rate_t**", "**SOR Rate**" and "**Financing Spread**" shall be deleted and replaced in its entirety with the following and the terms of "**Libor Rate**" and "**Swap Rate**" shall be deleted from the "**Leveraged Index Formula**":

Rate_t means, in respect of a Calculation Date (t):

$$\text{Rate}_t = \text{SORA}_{t-2} + \text{Spread}_t$$

"**SORA Rate (SORA_t)**" means, in respect of a Calculation Date (t), the Singapore Domestic Interbank Overnight Rate Avg dated as of such date or the latest rate available, as available under Bloomberg Ticker: SIBCSORA <Index>.

"**Spread_t**" = 0.23%

As a result of the "Spread_t" being set at the fixed rate of 0.23% as compared to the original Financing Spread referencing the Libor Rate and Swap Rate, the Funding Cost for the SGIMSCI Long Certificates will be increased by approximately $(\text{Leverage} - 1) \times 0.05\%$ (i.e. 0.20% for the SGIMSCI 5x Long Certificates and 0.30% for the SGIMSCI 7x Long Certificates) on a per annum basis. With effect from the Effective Date, the fixed rate of the "Spread_t" above will be reflected in the Funding Cost of the SGIMSCI Long Certificates which will be published on the website at dlc.socgen.com at the end of each trading day for the the SGIMSCI Long Certificates.

- (ii) under the “**Leveraged Index Formula**” in the “**INFORMATION RELATING TO THE LEVERAGED INDEX**” section of the relevant supplemental listing documents in relation to the SGIMSCI Short Certificates, the following term of “**Index_{t-1}**” shall be added into the “**Leveraged Index Formula**” and the terms of “**Rate_t**”, “**SOR(t)**” and “**RepoRate_t**” shall be deleted and replaced in its entirety with the following:

“**Index_{t-1}**” means Closing Index Level on the Calculation Date immediately preceding the current Calculation Date (t).

Rate_t means, in respect of a Calculation Date (t):

$$\text{Rate}_t = \text{SORA}_{t-2} - \left(\frac{L}{L-1} \right) \times \text{RepoRate}_t$$

“**SORA Rate (SORA_t)**” means, in respect of a Calculation Date (t), the Singapore Domestic Interbank Overnight Rate Avg dated as of such date or the latest rate available, as available under Bloomberg Ticker: SIBCSORA <Index>.

“**RepoRate_t**” means, in respect of an Index and a Calculation Date (t), a stock borrowing rate which is provided to the Index Calculation Agent by the Index Sponsor, based on market quotations received from a panel of market participants.”

- (iii) the following terms shall be added immediately after the “**Leveraged Index Formula**” in the “**INFORMATION RELATING TO THE LEVERAGED INDEX**” section of the relevant supplemental listing documents in relation to the SGIMSCI Certificates:

Benchmark Fallback

Upon the occurrence or likely occurrence, of a Reference Rate Event, the Index Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance in accordance with the Leveraged Index rules, including but not limited to using any alternative rates from such date, with or without retroactive effect where:

“**Reference Rate Event**” means, in respect of any Benchmark the occurrence of any of the following events determined by the Index Calculation Agent, with instruction from the Index Sponsor, to be relevant and material to the Leveraged Index:

(i) a Reference Rate Cessation;

(ii) an Administrator/Benchmark Event; or

(iii) a Benchmark is, with respect to over-the-counter derivatives transactions which reference such Benchmark, the subject of any market-wide development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Benchmark is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board’s paper titled “Reforming Major Interest Rate Benchmarks” dated 22 July 2014.

“**Reference Rate Cessation**” means, for a Benchmark, the occurrence of one or more of the following events:

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that it has ceased or will cease to provide the Benchmark

permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(iii) in respect of a Benchmark, a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark announcing that (a) the regulatory supervisor has determined that such Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;

“Administrator/ Benchmark Event” means, for a Benchmark, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Benchmark or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Index Sponsor, the Index Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Benchmark to perform its or their respective obligations with respect to the Leveraged Index.

“Benchmark” means the rate(s) used in the Leveraged Index Formula, for example SORA.”

The above amendments are being made pursuant to Condition 8(b)(i) of the terms and conditions of the Singapore Stock Long Certificates and the SGIMSCI Certificates (the **“Conditions”**) which provides that the Issuer may, without the consent of the Certificate Holders, effect any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders, and will take effect from 7 March 2022. This Announcement constitutes notice of such amendments to holders of the Singapore Stock Long Certificates and the SGIMSCI Certificates pursuant to Condition 9(b) of the Conditions. Except as stated above and in any other applicable announcements made by the Issuer before the date of this Announcement, all the information in the relevant termsheets and supplemental listing documents remains unchanged and is not affected by such amendments.

Should the investors have any queries, please contact the Issuer at +65 6226 2828 or dlc@socgen.com.

Issued by
SG Issuer

18 February 2022