

IMPORTANT NOTICE

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Confirmation of your Representation: In order to be eligible to view the following Offering Circular or make an investment decision with respect to the securities, investors must be located outside the United States. By accepting the e-mail and accessing the following Offering Circular, you shall be deemed to have represented to us that (1) you are not 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 ("**Regulation S**") under the U.S. Securities Act of 1993, as amended (the "**Securities Act**"); (2) the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions; and (3) that you consent to the delivery of such Offering Circular by electronic transmission.

The following 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 the Issuer, the Arrangers (as described in the Offering Circular) nor any Dealer nor any person who controls any of them nor any director, officer, employee nor agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any discrepancies between the Offering Circular distributed to you in electronic format and the hard-copy version available to you on request from the Arrangers or a Dealer.

Restrictions: The attached Offering Circular is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein.

THE SECURITIES DESCRIBED IN THE ATTACHED OFFERING CIRCULAR HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, 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.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS OFFERING CIRCULAR 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. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE PRICING SUPPLEMENT AND CONDITIONS OF THE SECURITIES AND THE INFORMATION CONTAINED IN THE OFFERING CIRCULAR (AS AMENDED AND RESTATED) THAT WILL BE DISTRIBUTED TO YOU PRIOR TO THE PRICING DATE AND NOT ON THE BASIS OF THE ATTACHED DOCUMENTS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

The materials relating to the offering 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, and access has been limited so that it shall not constitute in the United States or elsewhere directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Dealer (as described in the Offering Circular) or any affiliate of a Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or such affiliate on behalf of the Issuer (as described in the Offering Circular) in such jurisdiction.

You are reminded that the following Offering Circular has been delivered to you on the basis that you are a person into whose possession the following 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 or disclose the contents of the following Offering Circular to any other person. If you have gained access to this transmission contrary to any of the offering restrictions, you are not authorised and will not be able to purchase any of the securities described therein.

You should not reply by e-mail to this notice, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You are responsible for protecting this e-mail 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.



Maybank Singapore Limited

(incorporated with limited liability under the laws of the Republic of Singapore)
(registered in Singapore under registration number 201804195C)

USD 10,000,000,000 Global Covered Bond Programme unconditionally and irrevocably guaranteed as to payments of interest and principal by Silver Fern Covered Bonds Pte. Ltd.

(incorporated with limited liability under the laws of the Republic of Singapore)
(registered in Singapore under registration number 202404632R)

Under its Global Covered Bond Programme (the "**Programme**") described in this Offering Circular, Maybank Singapore Limited (a limited liability company incorporated in Singapore) ("**MSL**", the "**Issuer**" or the "**Bank**"), in accordance with the Monetary Authority of Singapore (the "**MAS**") Notice 648 on the Issuance of Covered Bonds by Banks Incorporated in Singapore ("**MAS Notice 648**") and subject to compliance with all other relevant laws, regulations and directives, may from time to time issue covered bonds (the "**Covered Bonds**"). The aggregate nominal amount of Covered Bonds outstanding will not at any time exceed USD 10,000,000,000 (or the equivalent in other currencies and subject to increase as provided herein). Silver Fern Covered Bonds Pte. Ltd. (the "**Covered Bond Guarantor**" or "**CBG**") has guaranteed payments of interest and principal under the Covered Bonds pursuant to a guarantee which is secured over the Portfolio (as defined below) and its other assets (the "**Covered Bond Guarantee**"). Recourse against the Covered Bond Guarantor under the Covered Bond Guarantee is limited to the Portfolio and any other assets of the Covered Bond Guarantor.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in, and for quotation of, any Covered Bonds to be issued which are agreed at the time of issue to be listed on the SGX-ST. The applicable pricing supplement in respect of any issue of Covered Bonds (a "**Pricing Supplement**") will specify whether or not such Covered Bonds will be listed on the SGX-ST or any other stock exchange. There is no guarantee that an application to the SGX-ST will be approved. Admission of the Covered Bonds to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or such Covered Bonds. The SGX-ST assumes no responsibility for the correctness of any statements made or opinions expressed herein. The Programme provides that the Covered Bonds may be listed on such other or further stock exchange(s) as may be agreed in relation to each series. The Issuer may also issue unlisted Covered Bonds.

The Covered Bonds are complex and high-risk financial instruments and are not a suitable or appropriate investment for all investors. Investing in the Covered Bonds involves risks. Investors should not purchase the Covered Bonds in the primary or secondary markets unless they are professional investors and understand the risks involved. The Covered Bonds are not suitable for retail investors. There are risks inherent in the holding of any Covered Bonds including, for example, risks in relation to the circumstances in which holders of the Covered Bonds (the "**Covered Bondholders**") may suffer loss as a result of holding any Covered Bonds. Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Offering Circular for a discussion of certain considerations to be taken into account in connection with an investment in the Covered Bonds.

THE COVERED BONDS AND THE COVERED BOND GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. 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 (THE "U.S."), AND THE COVERED BONDS MAY INCLUDE BEARER COVERED BONDS THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE COVERED BONDS MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER COVERED BONDS, DELIVERED WITHIN THE UNITED STATES. SEE "SUBSCRIPTION AND SALE".

Each Tranche (as defined in "**Summary of the Programme**") of Covered Bonds in bearer form ("**Bearer Covered Bonds**") will be represented on issue by a temporary global Covered Bond in bearer form (each a "**Temporary Global Covered Bond**") or a permanent global Covered Bond in bearer form (each a "**Permanent Global Covered Bond**") and, together with the Temporary Global Covered Bonds, the "**Global Covered Bonds**", as specified in the applicable Pricing Supplement. Interests in Temporary Global Covered Bonds generally will be exchangeable for interests in Permanent Global Covered Bonds, or, if so stated in the applicable Pricing Supplement, definitive Covered Bonds ("**Definitive Covered Bonds**"), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Covered Bonds will be exchangeable for Definitive Covered Bonds in whole but not in part. See "**Summary of Provisions Relating to the Covered Bonds while in Global Form**".

Each Series of Covered Bonds (as defined in "**Summary of the Programme**") in registered form ("**Registered Covered Bonds**") will be represented by registered certificates (each a "**Certificate**"), without interest coupons, and will initially be represented by a registered global certificate (each a "**Global Certificate**") without interest coupons.

Global Covered Bonds and Global Certificates may be either: (i) deposited on the relevant issue date with a common depository on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") (the "**Common Depository**"), with The Central Depository (Pte) Limited ("**CDP**") or with a sub-custodian for the Central Money Markets Unit Service operated by the Hong Kong Monetary Authority ("**CMU**"); or (ii) delivered outside a clearing system, as agreed among the Issuer, the Agents, the Bond Trustee, the Security Trustee and the relevant Dealer (all as defined herein), if any, or purchaser. Beneficial interests in Global Covered Bonds or Global Certificates held in book-entry form through Euroclear or Clearstream will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear or Clearstream, as the case may be. Beneficial interests in Global Covered Bonds or Global Certificates held in book-entry form through CDP will be shown on, and transfers thereof will be effected only through, records maintained by CDP. Beneficial interests in Global Covered Bonds or Global Certificates held in book-entry form through the CMU will be shown on, and transfers thereof will be effected only through, records maintained by the CMU. The provisions governing the exchange of interests in Global Covered Bonds for other Global Covered Bonds and Global Covered Bonds and Global Certificates for Covered Bonds in definitive form (the "**Definitive Covered Bonds**") are described in "**Summary of Provisions Relating to the Covered Bonds while in Global Form**".

In relation to any Tranche (as defined in "**Summary of the Programme**"), the aggregate nominal amount of the Covered Bonds of such Tranche, the interest (if any) payable in respect of the Covered Bonds of such Tranche, the issue price and any other terms and conditions not contained herein which are applicable to such Tranche will be set out in a Pricing Supplement which, with respect to Covered Bonds to be listed on the SGX-ST, will be delivered to the SGX-ST on or before the date of issue of the Covered Bonds of such Tranche.

The Covered Bonds issued under the Programme are expected on issue to be assigned an "Aaa" rating by Moody's Investors Service Singapore Pte. Ltd. ("**Moody's**") and an "AAA" rating by S&P Global Ratings Australia Pty Ltd ("**S&P**"). Each Tranche of Covered Bonds issued under the Programme may be rated or unrated. The rating of an issue of Covered Bonds will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.

This Offering Circular is not a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") or Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**").

Arrangers

BNP PARIBAS

DBS BANK LTD.

MAYBANK SECURITIES PTE. LTD.

Dealers

BNP PARIBAS

DBS BANK LTD.

MAYBANK SECURITIES PTE. LTD.

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IMPORTANT

If you are in any doubt about this Offering Circular, you should consult your broker, dealer, bank manager, solicitor, certified public accountant or other professional adviser.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”).

The Issuer accepts responsibility for the information contained in this Offering Circular. The Covered Bond Guarantor only accepts responsibility for the information contained in the section entitled “*The Covered Bond Guarantor*” of this Offering Circular. To the best of the knowledge and belief of the Issuer and the Covered Bond Guarantor, only in relation to the information for which it is responsible (each having taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts as at the date of this Offering Circular (or the date as indicated in the relevant sections) and does not omit any material information likely to affect the import of such information. No person has been authorised to give any information or to make any representation other than as contained in this Offering Circular in connection with the issue or sale of the Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Covered Bond Guarantor, the Arrangers, any Dealers, the Bond Trustee, the Security Trustee or the Agents (each as defined in “*Summary of the Programme*”). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer and/or the Covered Bond Guarantor since the date hereof (or the date as indicated in the relevant sections) 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 Issuer and/or the Covered Bond Guarantor since the date hereof (or the date as indicated in the relevant sections) 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 at any time after the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Covered Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Covered Bonds and distribution of this Offering Circular, see “*Subscription and Sale*” and the applicable Pricing Supplement.

THE COVERED BONDS ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S OF THE SECURITIES ACT OR ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. ANY SERIES OF COVERED BONDS MAY BE SUBJECT TO ADDITIONAL SELLING RESTRICTIONS. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF COVERED BONDS AND THE DISTRIBUTION OF THIS OFFERING CIRCULAR, SEE “*SUBSCRIPTION AND SALE*” AND THE APPLICABLE PRICING SUPPLEMENT.

THE COVERED BONDS AND THE COVERED BOND GUARANTEE HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF COVERED BONDS OR THE ACCURACY OR ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Neither this Offering Circular nor any information supplied in connection with the Programme constitutes an offer of, or an invitation by or on behalf of the Issuer, the Covered Bond Guarantor, the Arrangers or any Dealer to subscribe for or purchase, any Covered Bonds.

Subject as provided in the applicable Pricing Supplement, the only persons authorised to use this Offering Circular in connection with an offer of Covered Bonds are the persons named in the applicable Pricing Supplement as the relevant Dealer or any other persons named in the section “*Non-exempt Offer*” of the Pricing Supplement (if any), as the case may be.

To the fullest extent permitted by law, none of the Arrangers, any Dealer, the Bond Trustee, the Security Trustee or any Agent accepts any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by any of the Arrangers or a Dealer or on its behalf in connection with the Issuer, the Covered Bond Guarantor or the issue and offering of the Covered Bonds. Each Arranger, each Dealer, the Covered Bond Guarantor (other than in respect of the section entitled “*The Covered Bond Guarantor*”), the Bond Trustee, the Security Trustee and each Agent 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 financial statements or documents incorporated by reference are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Covered Bond Guarantor, the Arrangers or any Dealers that any recipient of this Offering Circular or any other financial statements should purchase the Covered Bonds. Each potential purchaser of Covered Bonds should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Covered Bonds should be based on such investigation as it deems necessary. None of the Arrangers, any Dealer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any Agent undertakes to review the financial condition or affairs of the Issuer or the Covered Bond Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Covered Bonds of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Covered Bonds.

By receiving this Offering Circular, investors acknowledge that (i) they have been afforded an opportunity to request and to review, and have received, all information that investors consider necessary to verify the accuracy of, or to supplement, the information contained in this Offering Circular, (ii) they have not relied on the Arrangers, any Dealer, the Covered Bond Guarantor (other than in respect of the section entitled “*The Covered Bond Guarantor*”), the Bond Trustee, the Security Trustee nor any Agent nor any person affiliated with the Arrangers, any Dealer, the Covered Bond Guarantor (other than in respect of the section entitled “*The Covered Bond Guarantor*”), the Bond Trustee, the Security Trustee or any Agent in connection with their investigation of the accuracy of any information in this Offering Circular or their investment decision, and (iii) no person has been authorised to give any information or to make any representation concerning the issue or sale of the Covered Bonds or the Issuer other than as contained in this Offering Circular and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Covered Bond Guarantor, the Arrangers, the Dealers, the Bond Trustee, the Security Trustee or the Agents. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Covered Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Covered Bonds may be restricted by law in certain jurisdictions. The Issuer, the Covered Bond Guarantor, the Arrangers, the Dealers, the Bond Trustee, the Security Trustee and the Agents do not represent that this Offering Circular may be lawfully distributed, or that any Covered Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Covered Bond Guarantor, the Arrangers, the Dealers, the Bond Trustee, the Security Trustee or the Agents which would permit a

public offering of any Covered Bonds or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Covered Bonds may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Covered Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Covered Bonds. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Covered Bonds in the United States, the EEA, the UK, Hong Kong, Japan, Singapore, Australia, Indonesia and the PRC (as defined below), see “*Subscription and Sale*”.

Covered Bonds issued under the Programme may be denominated in Renminbi. Renminbi is currently not freely convertible and conversion of Renminbi is subject to certain restrictions. Investors should be reminded of the conversion risk with Renminbi products. In addition, there is a liquidity risk associated with Renminbi products, particularly if such investments do not have an active secondary market and their prices have large bid/offer spreads. Renminbi products are denominated and settled in Renminbi deliverable in Hong Kong, which represents a market which is different from that of Renminbi deliverable in the PRC.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Covered Bonds may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (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 Covered Bonds is a manufacturer in respect of such Covered Bonds, 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.

IMPORTANT – EEA RETAIL INVESTORS

If the Pricing Supplement in respect of any Covered Bonds includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Covered Bonds 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 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; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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 the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Covered Bonds may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (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 Covered Bonds (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 any Covered Bonds is a manufacturer in respect of such Covered Bonds, 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.

IMPORTANT – UK RETAIL INVESTORS

If the Pricing Supplement in respect of any Covered Bonds includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Covered Bonds 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 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 EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**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 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 Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE

All Covered Bonds issued or to be issued under the Programme shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Specified 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).

NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Covered Bonds pursuant to this Programme (each such offering, a “**CMI Offering**”), including certain Dealers, may be “capital market intermediaries” (“**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such

CMI, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“OCs”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Covered Bond Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the Covered Bond Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer the Covered Bond Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Covered Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Covered Bonds subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Covered Bonds distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealer and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

CERTAIN DEFINED TERMS AND CONDITIONS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to “Singapore dollars” and “SGD” are to the lawful currency of Singapore, all references to “U.S. dollars” and “USD” are to the lawful currency of the United States of America, all references to “EUR” are to the lawful currency of the member states of the European Union that have adopted or may adopt the single currency in accordance with the treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the treaty on European Union, all references to “Hong Kong dollars” and “HKD” are to the lawful currency of Hong Kong, all references to “RMB”, “Renminbi” and “CNY” are to the lawful currency of China and all references to “Sterling” and “GBP” are to the lawful currency of the UK.

References in this Offering Circular to the “PRC” are to the People’s Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

References in this Offering Circular to “2021”, “2022” and “2023” refer to the Issuer’s financial years ended 31 December 2021, 2022 and 2023, respectively. Unless specified otherwise or the context otherwise requires, all references to “loans” refer to loans net of cumulative allowances.

The audited financial statements of the Issuer are prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”). The Issuer’s audited financial statements as at and for the years ended 31 December 2023 and 31 December 2022 are included in this Offering Circular, beginning on page F-2 and F-97 respectively.

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

This Offering Circular should also be read and construed in conjunction with the audited financial statements of the Issuer as at and for the years ended 31 December 2023 and 2022, which have been previously published and filed with the Accounting and Corporate Regulatory Authority of Singapore (“ACRA”). The Issuer’s audited financial statements as at and for the year ended 31 December 2023 and 31 December 2022 are included in this Offering Circular, beginning on page F-2 and page F-97 respectively.

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.

In connection with the issue of any Tranche (as defined in “*Summary of the Programme*”), the Dealer or Dealers (if any) named as the stabilisation coordinator(s) (the “**Stabilisation Coordinator(s)**”) (or persons acting on behalf of any Stabilisation Coordinator(s)) in the applicable Pricing Supplement may over-allot Covered Bonds or effect transactions with a view to supporting the market price of the Covered Bonds at a level higher than that which might otherwise prevail for a limited period of time after the relevant issue date. However, there is no assurance that the Stabilisation Coordinator(s) (or persons acting on behalf of any Stabilisation Coordinator(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Pricing Supplement of the offer of the relevant Tranche 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 relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Coordinator(s) (or persons acting on behalf of any Stabilisation Coordinator(s)) in accordance with all applicable laws and rules.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with each applicable Pricing Supplement and each applicable supplemental Offering Circular.

This Offering Circular should also be read and construed in conjunction with any audited financial statements of the Issuer which are available at https://www.maybank2u.com.sg/en/personal/about_us/maybank-singapore/regulatory-disclosure-maybank-singapore-limited.page subsequent to the date of this Offering Circular and any unaudited interim financial statements of the Issuer published subsequent to such audited financial statements, each of 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 audited financial statements of the Issuer which are deemed to be incorporated by reference in this Offering Circular may also be obtained at the SGX-ST's website at <https://www.sgx.com>.

Website addresses in this Offering Circular are included for reference only, and the contents of such websites are not incorporated by reference into, and do not form part of, this Offering Circular.

Copies of documents deemed to be incorporated by reference in this Offering Circular may be obtained without charge from the registered office or the website (https://www.maybank2u.com.sg/en/personal/about_us/maybank-singapore/regulatory-disclosure-maybank-singapore-limited.page) of the Issuer.

Save as stated above, the information on the Issuer's website or any website directly or indirectly linked to such websites is not incorporated by reference in this Offering Circular and should not be relied on in connection with an investment in the Covered Bonds. None of the Issuer, the Arrangers or the Dealers accept any responsibility whatsoever that any information on the Issuer's website or any website directly or indirectly linked to such websites, if available, is accurate and/or up-to-date.

SUPPLEMENTAL OFFERING CIRCULAR

If at any time the Issuer shall be required to prepare a supplemental Offering Circular, the Issuer will prepare and make available an appropriate amendment or supplement to this Offering Circular or a further Offering Circular.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements. When used in this Offering Circular, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to the Issuer, its management and/or the Covered Bond Guarantor, are intended to identify such forward-looking statements. These statements concern, or may affect, future matters. These may include the Issuer's future strategies, business plans and results and are based on the current expectations of the Directors of the Issuer. They are subject to a number of risks and uncertainties that might cause actual results and outcomes to differ materially from expectations outlined in these forward-looking statements. These risks and uncertainties include, but are not limited to:

- the impact of COVID-19;
- the actual growth in demand for banking and other financial products and services in the countries that the Issuer operates in or where a material number of its customers reside;
- the Issuer's ability to successfully implement its strategy;

- the Issuer's growth and expansion in domestic and overseas markets;
- future levels of impaired assets;
- the adequacy of the Issuer's allowance for credit and investment losses;
- the ability to maintain targeted capital ratios;
- the impact of changes in banking regulations and other regulatory changes in Singapore and other jurisdictions on the Issuer and/or the Covered Bond Guarantor;
- the future impact of new accounting standards;
- technological changes;
- the bond and loan market conditions and availability of liquidity amongst the investor community in these markets;
- the nature of credit spreads and interest spreads from time to time, including the possibility of increasing credit spreads or interest rates;
- the Issuer's ability to roll over its short-term funding sources and its exposure to credit;
- market fluctuations and the effects on trading, investment and other non-interest income; and
- the success of managing the risks of the foregoing.

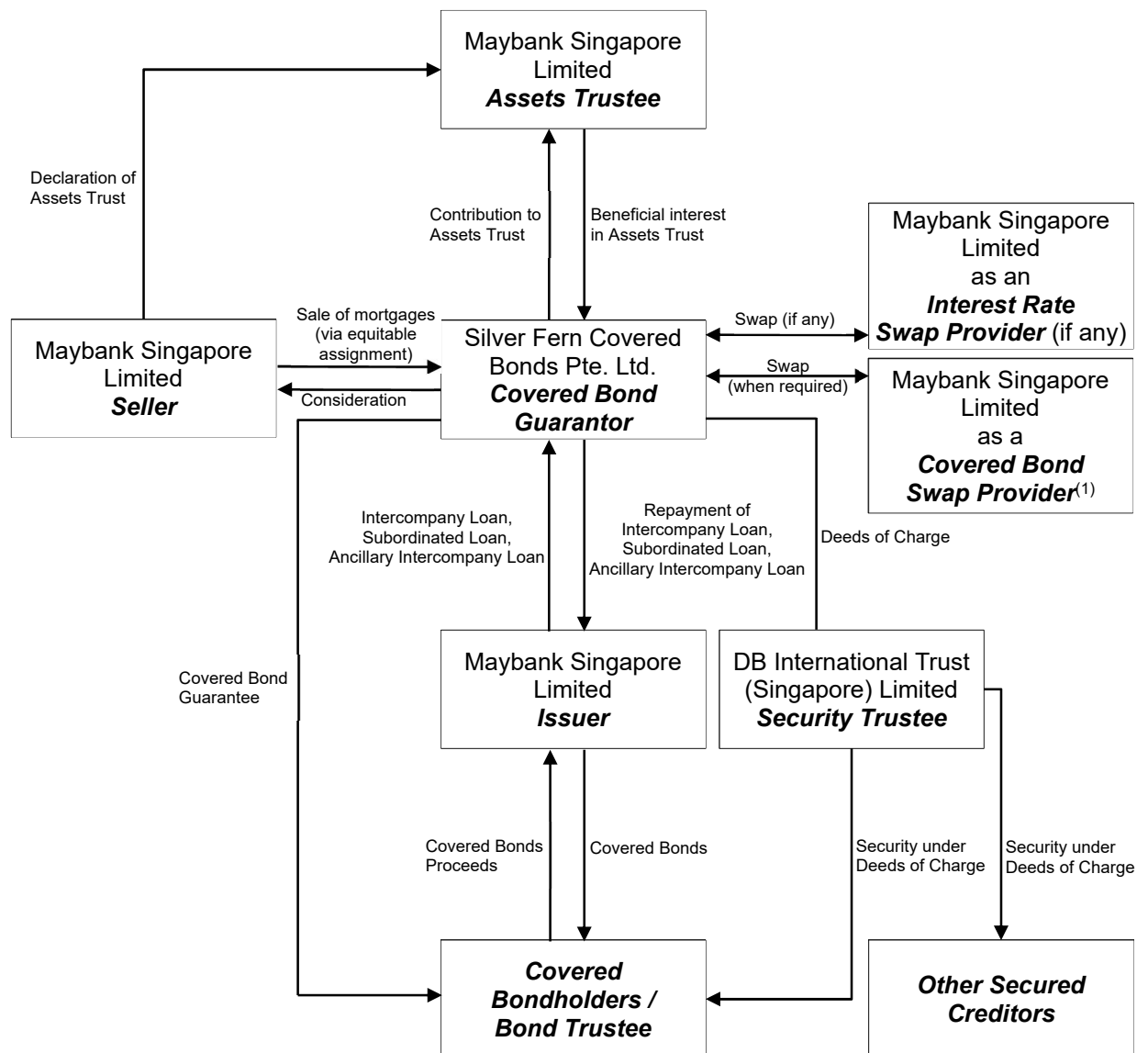
Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date hereof (or the date as indicated in the relevant sections). The Issuer and the Covered Bond Guarantor do not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof (or the date as indicated in the relevant sections) or to reflect the occurrence of unanticipated events.

STRUCTURE OVERVIEW

This Structure Overview describes the Programme, including the Covered Bonds, the Covered Bond Guarantee and related documents, in general terms only and does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Series or Tranche of Covered Bonds, the applicable Pricing Supplement. This Structure Overview must be read as an introduction to this Offering Circular and any decision to invest in any Covered Bonds should be based on a consideration of this Offering Circular as a whole, including the documents incorporated by reference.

Words and expressions defined elsewhere in this Offering Circular shall have the same meanings in this Structure Overview. A glossary of certain defined terms used herein is contained at the end of this Offering Circular.

Structure Diagram



- (1) Covered Bond Swaps will be entered into in respect of issuances of Covered Bonds that require such swap, however, no cash flows will be exchanged under the Covered Bond Swaps unless and until the service of a Notice to Pay on the Covered Bond Guarantor.

Structure Overview

- (a) *Programme*: Under the terms of the Programme, the Issuer will issue Covered Bonds to the Covered Bondholders on each Issue Date. The Covered Bonds will be direct, unconditional, unsubordinated and unsecured obligations of the Issuer.
- (b) *Covered Bond Guarantee*: Under the terms of the Trust Deed, the Covered Bond Guarantor has provided a guarantee as to payments of interest and principal under the Covered Bonds. The Covered Bond Guarantor has agreed to pay an amount equal to the Guaranteed Amounts when the same shall become Due for Payment (but which would otherwise be unpaid by the Issuer). The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute direct, unsubordinated and (following the service of a Notice to Pay on the Covered Bond Guarantor or, if earlier, the service on the Issuer and the Covered Bond Guarantor of a CBG Acceleration Notice) unconditional obligations of the Covered Bond Guarantor, secured as provided in the Deeds of Charge. Subject as provided in the Trust Deed, the Bond Trustee must serve a Notice to Pay on the Covered Bond Guarantor following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice. Following the service of a Notice to Pay but prior to the service of a CBG Acceleration Notice, payments made by the Covered Bond Guarantor under the Covered Bond Guarantee will be made subject to, and in accordance with, the Guarantee Priority of Payments. A CBG Acceleration Notice may be served by the Bond Trustee on the Issuer and the Covered Bond Guarantor following the occurrence of a CBG Event of Default.

If a CBG Acceleration Notice is served, the Covered Bonds will become immediately due and payable as against the Issuer and the Covered Bond Guarantor's obligations under the Covered Bond Guarantee will be accelerated. Payments made by the Security Trustee will be made subject to, and in accordance with, the Post-Enforcement Priority of Payments. The recourse of the Covered Bondholders to the Covered Bond Guarantor under the Covered Bond Guarantee will be limited to the assets of the Covered Bond Guarantor from time to time.

- (c) *Intercompany Loan Agreement*: Under the terms of the Intercompany Loan Agreement, the Issuer in its capacity as lender under the Intercompany Loan Agreement (the "**Intercompany Loan Provider**") has agreed to make available to the Covered Bond Guarantor and the CBG Beneficiary the Intercompany Loan in an amount up to the Intercompany Loan Facility Amount. The Intercompany Loan comprises the Guarantee Loan and the Demand Loan and is denominated in Singapore dollars.

The interest rate in respect of each Advance for each Loan Interest Period in respect of that Advance is such rate of interest per annum to be determined by the Intercompany Loan Provider from time to time. Interest payments due and accruing under the Intercompany Loan will not exceed the aggregate of the income of the Covered Bond Guarantor less certain expenses.

The Guarantee Loan, at any relevant time, is in an amount equal to (A) (a) the SGD Equivalent of the outstanding nominal amount of the Covered Bonds at that time, plus (b) an amount equal to the aggregate principal amount outstanding (or, in the case of assets in the form of Loans (other than Converted Loans), the True Balance) of additional assets in excess of (a) above, as required to satisfy (and determined in accordance with) the Asset Coverage Test, minus (B) the outstanding principal amount of the Subordinated Loan (excluding, for the avoidance of doubt, interest and other non-principal amounts thereunder). See "*Summary of the Principal Documents — Intercompany Loan Agreement*" and "*Summary of the Principal Documents — Establishment Deed — Asset Coverage Test*".

The Demand Loan at any relevant time is in an amount equal to the difference between the outstanding principal amount of the Intercompany Loan and the principal amount of the Guarantee Loan at that time. Except as described below, the respective balances of the Guarantee Loan and the Demand Loan will fluctuate with the issuances and redemptions of Covered Bonds and the requirements of the Asset Coverage Test.

If a Notice to Pay or a CBG Acceleration Notice is served on the Covered Bond Guarantor or a Demand Loan Repayment Event occurs, the amount of the Demand Loan and the Guarantee Loan will be fixed as at the date on which the Asset Percentage is fixed and thereafter only adjusted to reflect permitted repayments (which will be deducted first from the Demand Loan), further Advances or Deemed Advances (which will be added to the Guarantee Loan) and any reduction in the Set-off Amount as a result of the occurrence of any of the events set out in paragraph (c) of the definition of "Set-off Amount" (which will be deducted from the Guarantee Loan and added to, and constitute, the Demand Loan).

At any time prior to an Issuer Event of Default, a CBG Event of Default or a Demand Loan Repayment Event, the Covered Bond Guarantor may re-borrow any amount repaid by the Covered Bond Guarantor under the Intercompany Loan for a permitted purpose.

Payments by the Issuer of amounts due under the Covered Bonds are not conditional upon receipt by the Intercompany Loan Provider of payments from the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement. Amounts owed by the Covered Bond Guarantor under the Guarantee Loan will be subordinated to amounts owed by the Covered Bond Guarantor under the Demand Loan and, following the service of a Notice to Pay or a CBG Acceleration Notice, the Covered Bond Guarantee. In all cases, repayment of the Demand Loan will be provided for in priority to amounts owed by the Covered Bond Guarantor to the other Secured Creditors (including the Covered Bondholders). Repayment of such Demand Loan may (at the discretion of the Intercompany Loan Provider) (and, following the service of a Notice to Pay or a CBG Acceleration Notice, shall only) be made by payment in kind, by the Servicer and the Cash Manager randomly selecting, on behalf of the Covered Bond Guarantor, but in accordance with the terms of the Intercompany Loan Agreement, Loans and their Related Security and/or Authorised Investments and/or Substitution Assets (other than cash) which will be transferred to the Intercompany Loan Provider or, if the Seller or the Assets Trustee (as the case may be) and the Intercompany Loan Provider are the same entity and title to the Non-CPF Loans and their Related Security has not been perfected or, as the case may be, the CBG Beneficiary has not surrendered its beneficial interest in the CPF Loans and Related Security, the rights, estate, title, interests, benefits and remedies of the Covered Bond Guarantor or the CBG Beneficiary (as the case may be) in such Loans and their Related Security, Authorised Investments and Substitution Assets (as the case may be) will be reassigned, released and surrendered to the Intercompany Loan Provider, and the Security granted over such Loans and their Related Security, Authorised Investments and Substitution Assets will be automatically released. See "*Summary of the Principal Documents — Intercompany Loan Agreement — Repayment of the Demand Loan*".

- (d) *Proceeds of the Intercompany Loan*: The Covered Bond Guarantor will use the Advances made to it from time to time under the Intercompany Loan to purchase the Portfolio consisting of Loans and their Related Security from the Seller in accordance with the terms of the Mortgage Sale Agreement and to acquire an interest in the Trust Assets in accordance with the terms of the Declaration of Assets Trust and will use additional Advances:
 - (i) to purchase New Loans (which are Non-CPF Loans) and their Related Security from the Seller in accordance with the terms of the Mortgage Sale Agreement; and/or

- (ii) towards Additional Contributions to the Assets Trustee to acquire New Loans (which are CPF Loans) and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust; and/or
- (iii) to invest in Authorised Investments and/or Substitution Assets, in each case in accordance with the Establishment Deed; and/or
- (iv) subject to written confirmation from the Cash Manager that the Asset Coverage Test is met on the relevant drawdown date (both before and immediately following the making of the relevant Advance), to repay Subordinated Advances, if any, under the Subordinated Loan Agreement; and/or
- (v) to make a deposit of the proceeds in the Transaction Account (including, without limitation, to fund the Reserve Fund and/or the Pre-Maturity Liquidity Ledger, in each case in accordance with the Establishment Deed).

For a description of “**CPF Loans**” and “**Non-CPF Loans**” please see the section “*The Loans and the Portfolio — CPF Loans and Non-CPF Loans*”.

- (e) *Subordinated Loan Agreement:* Under the terms of the Subordinated Loan Agreement, the Issuer in its capacity as lender under the Subordinated Loan Agreement (being defined as the “**Subordinated Loan Provider**” for the purposes of this Offering Circular) may make Subordinated Advances available to the Covered Bond Guarantor.

Except for Deemed Subordinated Advances, the Subordinated Loan Facility is uncommitted and the Subordinated Loan Provider is not obliged to make Subordinated Advances to the Covered Bond Guarantor or the CBG Beneficiary. The Subordinated Loan Provider will be obliged to make a Deemed Subordinated Advance where the conditions required to be met in order for the Intercompany Loan Provider to make a Deemed Advance under the Intercompany Loan Agreement are not met. See “*Summary of the Principal Documents — Intercompany Loan Agreement*” for these conditions.

The Subordinated Loan is subordinated to, *inter alia*, payments of principal and interest on the Intercompany Loan and the Covered Bond Guarantee, and all other payments or provisions ranking in priority to payments to be made to the Subordinated Loan Provider, in each case in accordance with the applicable Priority of Payments. See “*Summary of the Principal Documents — Subordinated Loan Agreement*”.

- (f) *Mortgage Sale Agreement:* Under the terms of the Mortgage Sale Agreement, among the Seller, the Assets Trustee, the Covered Bond Guarantor, the All Monies Trustee, the CBG Beneficiary and the Security Trustee, the Seller has agreed to sell certain Non-CPF Loans and their Related Security to the Covered Bond Guarantor from time to time. Non-CPF Loans and their Related Security shall be transferred to the Covered Bond Guarantor by way of equitable assignment under the Mortgage Sale Agreement with legal title perfected only upon the occurrence of certain events. The Covered Bond Guarantor will fund the purchase of Non-CPF Loans and their Related Security using Advances made to it from time to time under the Intercompany Loan.
- (g) *Declaration of Assets Trust:* Under the terms of the Declaration of Assets Trust among the Seller, the Assets Trustee, the Covered Bond Guarantor, the CBG Beneficiary, the All Monies Trustee and the Security Trustee, the Assets Trustee established the Assets Trust. The Assets Trust is a trust formed under Singapore law with the Assets Trustee as trustee holding all of the Trust Assets as to both capital and income on trust absolutely for the benefit of the Covered Bond Guarantor (as trust beneficiary (the “**CBG Beneficiary**”)). The trust assets shall consist of the CPF Loans and their Related Security (and any related Top-up Loans) sold by the Seller to the Covered Bond Guarantor from time to time and which are subject to the Assets Trust, as identified in the Declaration of Assets

Trust and the relevant Notice of Trust Assets, and all such rights, estate, title, interests, benefits and remedies in and to any monies currently owed or to be owed in the future by a Borrower and/or Mortgagor, all monies paid by any Borrower and/or Mortgagor from time to time for the purposes of discharging amounts owed, any receipts from the enforcement of any Related Security (and any related Top-up Loans) (including but not limited to the Seller's benefit in and to any rights to receive payments under any Insurance Policy) and the Seller's benefit in and to all Related Security and any rights relating to such CPF Loans (and any related Top-up Loans) (the "**Trust Assets**"). The beneficial interest of the CBG Beneficiary is an absolute interest in the Trust Assets. The CBG Beneficiary will use part of the initial Advance to pay to the Seller as consideration for acquiring an interest in the CPF Loans and their Related Security contributed by the Seller to the Assets Trust in accordance with the terms of the Declaration of Assets Trust.

The CBG Beneficiary will use additional Advances to make Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the *Seller*.

- (h) *Ancillary Intercompany Loan Agreement*: Under the terms of the Ancillary Intercompany Loan Agreement, the Issuer in its capacity as lender under the Ancillary Intercompany Loan Agreement (being defined as the Ancillary Intercompany Loan Provider for the purposes of this Offering Circular) may make Deemed Ancillary Intercompany Loan Advances available to the Covered Bond Guarantor and the CBG Beneficiary.

An advance under the Ancillary Intercompany Loan Agreement will be deemed to arise under the Ancillary Intercompany Loan Agreement (a "**Deemed Ancillary Intercompany Loan Advance**") if the Covered Bond Guarantor acquires an interest in a Top-up Loan and/or a Top-up Loan is sold and assigned by the Seller to the Covered Bond Guarantor and/or as at any Calculation Date, there is an increase in the outstanding balance of a Top-up Loan.

Deemed Ancillary Intercompany Loan Advances will be repayable outside the Priorities of Payments in priority to amounts owed by the Covered Bond Guarantor to the other Secured Creditors (including the Covered Bondholders). See "*Summary of the Principal Documents — Ancillary Intercompany Loan Agreement*".

- (i) *Consideration*: Under the terms of the Mortgage Sale Agreement and the Declaration of Assets Trust, the consideration payable to the Seller for the sale of Non-CPF Loans and their Related Security to the Covered Bond Guarantor or declaration of trust (or extension of the Assets Trust) over CPF Loans and their Related Security (and any related Top-up Loans) on any Closing Date will be a combination of (i) a cash payment paid by the Covered Bond Guarantor and/or the CBG Beneficiary to the Seller from the proceeds of the relevant Advance and/or Subordinated Advance or set-off against such Advance and/or Subordinated Advance and/or (ii) Deferred Consideration and/or Deferred Contribution Consideration.
- (j) *Security*: To secure its obligations under the Covered Bond Guarantee and the Transaction Documents to which it is a party, the Covered Bond Guarantor has granted security over the Charged Property (which consists principally of the Covered Bond Guarantor's interest in the portfolio of Loans and their Related Security (and any related Top-up Loans), the Trust Assets, the Substitution Assets, contractual rights under the Transaction Documents to which it is a party, the CBG Accounts, any Insurance Policy, any Excess Proceeds and any Authorised Investments it holds) in favour of the Security Trustee (for itself and on behalf of the other Secured Creditors) pursuant to the Deeds of Charge.
- (k) *Cashflows*: Prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked), a Notice to Pay or a CBG Acceleration Notice or following the revocation of an Asset Coverage Test Breach Notice, the Cash Manager on behalf of the Covered Bond Guarantor will:

- (i) apply Available Revenue Receipts to paying, among other things, fees and expenses payable or to become payable by the Covered Bond Guarantor, interest due to the Intercompany Loan Provider under the Intercompany Loan, certain expenses and amounts due to any Interest Rate Swap Provider (if any) and any Covered Bond Swap Provider (if any), the Pre-Maturity Liquidity Ledger and the Reserve Ledger and interest and (if the Cash Manager or the Subordinated Loan Provider so elects) principal due to the Subordinated Loan Provider under the Subordinated Loan, in each case in accordance with the Pre-Acceleration Revenue Priority of Payments. For further details of the Pre-Acceleration Revenue Priority of Payments, see “*Cashflows and Priorities of Payments*”; and
- (ii) apply Available Principal Receipts to acquiring New Loans and their Related Security offered by the Seller to the Covered Bond Guarantor, acquiring Substitution Assets or Authorised Investments, making deposits in the Transaction Account, repaying principal due to the Intercompany Loan Provider and funding any liquidity that may be required in respect of any Hard Bullet Covered Bonds (as described below) following any breach of the Pre-Maturity Test and to paying principal due to the Subordinated Loan Provider under the Subordinated Loan, in each case in accordance with and subject to the Pre-Acceleration Principal Priority of Payments. For further details of the Pre-Acceleration Principal Priority of Payments, see “*Cashflows and Priorities of Payments*”.

Following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay or a CBG Acceleration Notice, for so long as any Covered Bonds remain outstanding, the Cash Manager on behalf of the Covered Bond Guarantor will continue to apply Available Revenue Receipts and Available Principal Receipts as described above, except that, while any Covered Bonds remain outstanding:

- (i) in respect of Available Revenue Receipts, no further amounts will be paid to the Intercompany Loan Provider under the Intercompany Loan Agreement, to the Subordinated Loan Provider under the Subordinated Loan Agreement or the Seller in respect of Deferred Consideration or Deferred Contribution Consideration (but payments will, for the avoidance of doubt, continue to be made under the Interest Rate Swap (if any)), see “*Cashflows and Priorities of Payments*”; and
- (ii) in respect of Available Principal Receipts, no payments will be made other than into the Transaction Account or credited to the Pre-Maturity Liquidity Ledger or to acquire New Loans and their Related Security offered by the Seller to the Covered Bond Guarantor or Substitution Assets and/or Authorised Investments, and, while the Intercompany Loan Provider may demand the repayment of any Demand Loan, such Demand Loan will be ineligible for repayment for so long as the Asset Coverage Test is not able to be satisfied, see “*Cashflows and Priorities of Payments*”.

Following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a CBG Acceleration Notice), the Cash Manager on behalf of the Covered Bond Guarantor will apply Available Revenue Receipts and Available Principal Receipts to pay Guaranteed Amounts in respect of the Covered Bonds when the same shall become Due for Payment in accordance with the Guarantee Priority of Payments. In such circumstances, the Intercompany Loan Provider will only be entitled to receive payment of any amount owing in respect of the Guarantee Loan and the Subordinated Loan Provider will only be entitled to receive payment of any amounts owing in respect of the Subordinated Loan after all amounts due under the Covered Bond Guarantee in respect of the Covered Bonds have been paid in full or have otherwise been provided for, see “*Cashflows and Priorities of Payments*”.

Following service of a CBG Acceleration Notice on the Covered Bond Guarantor, the Covered Bonds will become immediately due and repayable (if not already due and repayable following

service of an Issuer Acceleration Notice) and the Bond Trustee will then have a claim against the Covered Bond Guarantor under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount in respect of each Covered Bond together with accrued interest and any other amounts due under the Covered Bonds and the security created by the Covered Bond Guarantor over the Charged Property will become enforceable. Any monies received or recovered (other than any amounts standing to the credit of the CBG Retained Amount Ledger, any Tax Credits, Third Party Amounts, All Monies Trust Property which the Seller is entitled to, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties, premium received by the Covered Bond Guarantor from a replacement Swap Provider to the extent it is used to make a termination payment due and payable by the Covered Bond Guarantor with respect to the Swap being replaced (including any Excluded Swap Termination Amount) and termination payment received from a Swap Provider which is applied to acquire a replacement for the relevant terminated Swap)) by the Security Trustee from realisation of the Charged Property following enforcement of the Security created by the Covered Bond Guarantor in accordance with the Deeds of Charge will be distributed according to the Post-Enforcement Priority of Payments. See “*Cashflows and Priorities of Payments*”.

- (l) *Stamp Duty Payable in Respect of the Transfer of Beneficial or Equitable Interest in Mortgages:* Stamp duty is payable on each instrument which transfers, assigns or disposes of interests in Mortgages, of up to a maximum of SGD500 per instrument. A Deed of Assignment and a Notice of Trust Assets executed in respect of a sale of the Loans and their Related Security from the Seller to the Covered Bond Guarantor and a Deed of Assignment and the relevant Loan Repurchase Notice executed in respect of a repurchase of the Loans and their Related Security by the Seller from the Covered Bond Guarantor, would in each case constitute such instruments and stamp duty would thus be payable by the transferee of such Loans and their Related Security, of up to a maximum of SGD500 per instrument.
- (m) *Asset Coverage Test:* The Programme provides that the assets of the Covered Bond Guarantor are subject to an Asset Coverage Test in respect of the Covered Bonds. Accordingly, prior to the service of a Notice to Pay and for so long as any Covered Bonds remain outstanding, as of each Calculation Date, the Adjusted Aggregate Loan Amount must be equal to or in excess of the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as at such date. The Asset Coverage Test will be tested by the Cash Manager on each Test Date as of the immediately preceding Calculation Date. A breach of the Asset Coverage Test as of a Calculation Date which is not remedied as of the immediately succeeding Calculation Date will require the Cash Manager to notify (among others) the Bond Trustee, whereupon the Bond Trustee shall serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor. The Asset Coverage Test Breach Notice will be revoked if, on or before the first Test Date immediately succeeding the date on which an Asset Coverage Test Breach Notice is served, the Asset Coverage Test (as calculated as of the immediately preceding Calculation Date) is satisfied and neither a Notice to Pay nor a CBG Acceleration Notice has been served. See “*Summary of the Principal Documents — Establishment Deed — Asset Coverage Test*”.

If an Asset Coverage Test Breach Notice has been served and has not been revoked:

- (i) the application of Available Revenue Receipts and Available Principal Receipts will be restricted;
- (ii) the Covered Bond Guarantor may sell Selected Loans; and

- (iii) the Issuer will not be permitted to issue any further Series of Covered Bonds.

If an Asset Coverage Test Breach Notice has been served and is not revoked on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice, then an Issuer Event of Default shall occur and the Bond Trustee shall be entitled (and in certain circumstances may be required), in each case subject to being indemnified, pre-funded and/or secured to its satisfaction, to serve an Issuer Acceleration Notice on the Issuer. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the Covered Bond Guarantor.

- (n) *Amortisation Test:* Following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a CBG Acceleration Notice on the Covered Bond Guarantor) and, for so long as the Covered Bonds remain outstanding, as of each following Calculation Date, the Amortisation Test Aggregate Loan Amount must be at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as at such date. The Amortisation Test will be carried out by the Cash Manager on or prior to each Test Date following service of a Notice to Pay but prior to service of a CBG Acceleration Notice on the Covered Bond Guarantor (calculated as of the relevant Calculation Date immediately preceding that Test Date). A breach of the Amortisation Test will constitute a CBG Event of Default. Following the occurrence of a CBG Event of Default, the Bond Trustee shall be entitled (and in certain circumstances may be required), in each case subject to being indemnified, pre-funded and/or secured to its satisfaction, by service of a CBG Acceleration Notice on the Covered Bond Guarantor, to accelerate the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and require all amounts under the Covered Bond Guarantee to become immediately due and payable. Thereafter, the Security Trustee may enforce the Security over the Charged Property.
- (o) *Interest Rate Swap Agreement(s):* To provide a hedge against possible variances between the interest revenues received by the Covered Bond Guarantor on Loans in the Portfolio which bear a fixed rate of interest ("**Fixed Rate Loans**") and some or all of the interest amounts payable under (following the service of a Notice to Pay on the Covered Bond Guarantor) the Covered Bond Swap Agreement or, if no Covered Bond Swap is in place, the Covered Bonds, the Covered Bond Guarantor has entered into an Interest Rate Swap Agreement on 19 March 2024 with MSL (in its capacity as Interest Rate Swap Provider), and may from time to time enter into an Interest Rate Swap Agreement with any other party as an Interest Rate Swap Provider, and may from time to time enter into an Interest Rate Swap under any such Interest Rate Swap Agreement. If an Interest Rate Swap is entered into under any Interest Rate Swap Agreement, the Covered Bond Guarantor and the Interest Rate Swap Provider will agree under the terms of such Interest Rate Swap to swap the Revenue Receipts received by the Covered Bond Guarantor in respect of the Fixed Rate Loans in the Portfolio (excluding Revenue Receipts received in respect of (i) Defaulted Loans, (ii) Loans in respect of which there have been missed payments (unless such missed payments have been remedied or waived or otherwise cured) and (iii) Top-up Loans) in exchange for an amount sufficient to pay the relevant portion of the amounts payable, following service of a Notice to Pay on the Covered Bond Guarantor, by the Covered Bond Guarantor under the Covered Bond Swap Agreement or, if no Covered Bond Swap is in place, the Covered Bonds.
- (p) *Covered Bond Swap Agreement:* To provide a hedge against currency and/or interest rate risks in respect of amounts received by the Covered Bond Guarantor under the Loans and the Interest Rate Swap (if any) and amounts payable or that may become payable in respect of its obligations under the Covered Bond Guarantee, the Covered Bond Guarantor has entered into the Covered Bond Swap Agreement with the Covered Bond Swap Provider, and may enter into one or more new schedules and confirmations thereunder for each Series and/or Tranche of Covered Bonds at the time such Covered Bonds are issued. To the extent required by the terms of the Covered Bond

Swaps, the Covered Bond Swap Provider and the Covered Bond Guarantor will agree to swap SGD Equivalent amounts into foreign currency amounts reflecting the amounts payable under a relevant Series of Covered Bonds (the “**relevant Series of Covered Bonds**”). No cashflows will be exchanged under the Covered Bond Swap Agreement (and the swaps thereunder will not become effective) unless and until the service of a Notice to Pay on the Covered Bond Guarantor.

- (q) *Hard Bullet Covered Bonds*: Any series of Covered Bonds which are scheduled to be redeemed in full on their relevant Maturity Date without any provision for scheduled redemption other than on the Maturity Date (the “**Hard Bullet Covered Bonds**”).
- (r) *Extendable Obligations under the Covered Bond Guarantee*: An Extended Due for Payment Date may be specified as applying in relation to a Series of Covered Bonds in the applicable Pricing Supplement. This means that if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Maturity Date (subject to applicable grace periods) and if the Guaranteed Amounts equal to the Final Redemption Amount of the relevant Series of Covered Bonds are not paid in full by the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date (the “**Extension Determination Date**”) (for example because, following the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor has insufficient monies available in accordance with the Guarantee Priority of Payments to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount of the relevant Series of Covered Bonds), then payment of the unpaid amount pursuant to the Covered Bond Guarantee shall be automatically deferred (without a CBG Event of Default occurring as a result of such non-payment) and shall be due and payable on the Extended Due for Payment Date (subject to any applicable grace periods). However, any amount representing the Final Redemption Amount due and remaining unpaid on the Extension Determination Date may be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter, up to (and including) the relevant Extended Due for Payment Date. Interest will continue to accrue on any unpaid amount during such extended period and be payable on the Original Due for Payment Date and on the Extended Due for Payment Date in accordance with Condition 4 (*Interest and other Calculations*).
- (s) *Servicing*: In its capacity as Servicer, MSL has entered into the Servicing Agreement with the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the Assets Trustee and the Security Trustee, pursuant to which the Servicer has agreed to provide administration and management services in respect of the Loans and their Related Security sold by MSL (in its capacity as Seller) to the Covered Bond Guarantor.
- (t) *Regulated Covered Bonds*: The Issuer will issue Covered Bonds under the Programme in accordance with MAS Notice 648.
- (u) *Further Information*: For a more detailed description of the transactions summarised above relating to the Covered Bonds, see, amongst other relevant sections of this Offering Circular, “*Summary of the Programme*”, “*Terms and Conditions of the Covered Bonds*”, “*Summary of the Principal Documents*”, “*Credit Structure including Asset Tests*”, “*Cashflows and Priorities of Payments*” and “*The Loans and the Portfolio*”.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche or Series of Covered Bonds, the applicable Pricing Supplement. Words and expressions defined in "Terms and Conditions of the Covered Bonds" shall have the same meanings in this summary. Other words and expressions used in this summary and not otherwise defined in this summary shall have the meanings ascribed to such words and expressions appearing elsewhere in this Offering Circular. A glossary of certain defined terms is contained at the end of this Offering Circular.

Issuer of Covered Bonds	Maybank Singapore Limited (the " Issuer "). In relation to each Tranche of Covered Bonds, references to the " Issuer " shall mean the Issuer which has concluded, or is negotiating, an agreement with the relevant Dealer(s) to issue or which has issued the Covered Bonds of that Tranche.
Legal Entity Identifier	549300TVTVALJC1NA695
Covered Bond Guarantor	<p>Silver Fern Covered Bonds Pte. Ltd., a private limited company incorporated in Singapore (UEN/ Company Registration No. 202404632R). The shares in the Covered Bond Guarantor are held by Intertrust (Singapore) Ltd. on trust for organisations established for charitable, benevolent or philanthropic causes. The Covered Bond Guarantor is a special purpose vehicle whose business is to acquire, <i>inter alia</i>, Loans and their Related Security from the Seller pursuant to the terms of the Mortgage Sale Agreement and the Declaration of Assets Trust and to guarantee certain payments in respect of the Covered Bonds. The Covered Bond Guarantor will hold the Portfolio and the other Charged Property in accordance with the terms of the Transaction Documents.</p> <p>The Covered Bond Guarantor has provided a guarantee covering all Guaranteed Amounts when the same shall become Due for Payment, but only following:</p> <ul style="list-style-type: none"> (i) an Issuer Event of Default and the service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor; or (ii) a CBG Event of Default and the service by the Bond Trustee of a CBG Acceleration Notice on the Issuer and the Covered Bond Guarantor (copied to the Security Trustee). <p>The obligations of the Covered Bond Guarantor under such guarantee and the other Transaction Documents to which it is a party are secured by the assets from time to time of the Covered Bond Guarantor and recourse against the Covered Bond Guarantor is limited to such assets.</p>
CBG Beneficiary	The Covered Bond Guarantor as beneficiary of the Assets Trust.
Assets Trustee	Maybank Singapore Limited, as trustee of the Assets Trust.
Seller	Maybank Singapore Limited, which is in the business of originating and acquiring residential mortgage loans and conducting other banking-related activities.

Servicer	Pursuant to the terms of the Servicing Agreement, Maybank Singapore Limited has been appointed to service, on behalf of the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee, the Loans and their Related Security sold by the Seller.
Cash Manager	Maybank Singapore Limited has been appointed, <i>inter alia</i> , to provide cash management services to the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee and to monitor compliance by the Covered Bond Guarantor with the Asset Coverage Test and the Amortisation Test pursuant to the terms of the Cash Management Agreement.
Intercompany Loan Provider	Maybank Singapore Limited.
Ancillary Intercompany Loan Provider	Maybank Singapore Limited.
Subordinated Loan Provider	Maybank Singapore Limited.
Paying Agent	Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong in respect of each Series of Covered Bonds (other than Covered Bonds cleared through the CDP (" CDP Covered Bonds ")) and Deutsche Bank AG, Singapore Branch in respect of CDP Covered Bonds.
CDP Paying Agent	Deutsche Bank AG, Singapore Branch in respect of each Series of CDP Covered Bonds.
CMU Lodging and Paying Agent	Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong in respect of each Series of Covered Bonds cleared through the CMU (" CMU Covered Bonds ").
Calculation Agent	Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong in respect of Covered Bonds other than CDP Covered Bonds. Deutsche Bank AG, Singapore Branch in respect of CDP Covered Bonds.
Issuing and Paying Agent	Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong.
Transfer Agent	Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong in respect of Covered Bonds other than CDP Covered Bonds. Deutsche Bank AG, Singapore Branch in respect of CDP Covered Bonds.
Registrar	Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong

	<p>The Issuing and Paying Agent, the Calculation Agent, the CDP Paying Agent, the Transfer Agent, the Paying Agent, other Paying Agent or Agents and the Registrar as may be appointed from time to time are together referred to as the “Agents”.</p>
Bond Trustee	<p>DB International Trust (Singapore) Limited has been appointed to act as Bond Trustee on behalf of the Covered Bondholders in respect of the Covered Bonds and holds the benefit of, <i>inter alia</i>, the Covered Bond Guarantee on behalf of the Covered Bondholders pursuant to the terms of the Trust Deed.</p>
Security Trustee	<p>DB International Trust (Singapore) Limited has been appointed to act as Security Trustee to hold the benefit of the security granted by the Covered Bond Guarantor to the Security Trustee (for itself, the Bond Trustee (for itself and on behalf of the Covered Bondholders) and other Secured Creditors) under the Deeds of Charge.</p>
Asset Monitor	<p>Ernst & Young LLP (or such other replacement Asset Monitor appointed from time to time) appointed in accordance with the terms of the Asset Monitor Agreement as an independent monitor to perform tests in respect of the Asset Coverage Test and the Amortisation Test when required.</p>
Covered Bond Swap Providers	<p>Each swap provider which agrees to act as Covered Bond Swap Provider to the Covered Bond Guarantor to hedge certain currency and/or interest rate risks in respect of amounts received by the Covered Bond Guarantor under the Loans and the Interest Rate Swap (if any) and amounts payable or that may become payable in respect of its obligations under the Covered Bond Guarantee by entering into the Covered Bond Swaps with the Covered Bond Guarantor under the Covered Bond Swap Agreement. No cashflows will be exchanged under the Covered Bond Swap Agreement (and the swaps thereunder will not become effective) unless and until the service of a Notice to Pay on the Covered Bond Guarantor. A Covered Bond Swap Provider will be required to obtain a guarantee of its obligations or put in place some other arrangement in the event that its ratings cease to meet certain specified levels.</p>
Interest Rate Swap Provider	<p>Maybank Singapore Limited (in its capacity as Interest Rate Swap Provider) has agreed that it may at its discretion act as a swap provider to the Covered Bond Guarantor to hedge possible variances between the interest revenues received by the Covered Bond Guarantor in respect of Fixed Rate Loans in the Portfolio, and some or all of the interest amounts payable under (following the service of a Notice to Pay on the Covered Bond Guarantor) the Covered Bond Swap Agreement or, if no Covered Bond Swap is in place, the Covered Bonds by entering into an Interest Rate Swap with the Covered Bond Guarantor under an Interest Rate Swap Agreement. The Interest Rate Swap Provider (if any) will be required to obtain a guarantee of its obligations or put in place some other arrangement in the event that its ratings cease to meet certain specified levels.</p>

Account Bank	Maybank Singapore Limited has agreed to act as Account Bank to the Covered Bond Guarantor pursuant to the terms of the Bank Account Agreement.
Corporate Services Provider	Intertrust Singapore Corporate Services Pte. Ltd. (UEN/Company Registration No. 198702411W) has been appointed to provide certain corporate services to the Covered Bond Guarantor, pursuant to the Corporate Services Agreement.
Description	Global Covered Bond Programme.
Programme Limit	Up to USD 10,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate nominal amount of Covered Bonds outstanding at any one time. The Issuer may increase this amount in accordance with the terms of the Programme Agreement.
Arrangers	BNP Paribas, DBS Bank Ltd. and Maybank Securities Pte. Ltd.
Programme Dealers	BNP Paribas, DBS Bank Ltd. and Maybank Securities Pte. Ltd. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “Programme Dealers” are to BNP Paribas, DBS Bank Ltd. and Maybank Securities Pte. Ltd. and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “Dealers” are to all Programme Dealers and all persons appointed as a dealer in respect of one or more Tranches. The Covered Bonds may be offered from time to time by the Issuer through the Dealers. The Issuer may sell Covered Bonds to the Dealers acting as principals for resale to investors or other purchasers and the Issuer may also sell Covered Bonds directly to investors. Covered Bonds may be distributed on a syndicated or non-syndicated basis. See <i>“Subscription and Sale”</i> .
Currencies	Subject to compliance with all relevant laws, regulations and directives, Covered Bonds may be issued in U.S. dollars, EUR, Sterling, Hong Kong dollars, Singapore dollars, Renminbi or in such other currencies as may be agreed.
Renminbi Fallback	If by reason of inconvertibility, non-transferability or illiquidity, the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest in respect of the Covered Bonds when due in Renminbi, the Issuer may settle such payment in U.S. dollars (other than in the case of CDP Covered Bonds) or in Singapore dollars (in the case of CDP Covered Bonds).
Denomination	Definitive Covered Bonds will be in denominations as may be specified in the applicable Pricing Supplement (the “Specified Denomination”), save that unless otherwise permitted by then current laws and regulations, Covered Bonds (including Covered Bonds 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 UK or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services

	<p>and Markets Act 2000 (the “FSMA”) will have a minimum Specified Denomination of GBP 100,000 (or its equivalent in other currencies), subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency.</p> <p>The minimum Specified Denomination of each Covered Bond admitted to trading on a regulated market within the EEA or in the UK or offered to the public in an EEA State or in the UK in circumstances which require the publication of a prospectus under the Prospectus Regulation or the UK Prospectus Regulation will be EUR 100,000 (or, if the Covered Bonds are denominated in a currency other than Euro, the equivalent amount in such currency at the date of issue of the Covered Bonds).</p>
Form of Covered Bonds	<p>The Covered Bonds may be issued in bearer form or in registered form only. Registered Covered Bonds will not be exchangeable for Bearer Covered Bonds and <i>vice versa</i>.</p> <p>Each Tranche of Covered Bonds in bearer form will be represented on issue by a Temporary Global Covered Bond or a Permanent Global Covered Bond, as specified in the applicable Pricing Supplement. Each Global Covered Bond will be deposited on or around the relevant issue date with a common depository or sub-custodian for Euroclear, Clearstream and/or as the case may be, the CDP, the CMU and/or any other relevant clearing system. Interests in Temporary Global Covered Bonds generally will be exchangeable for interests in Permanent Global Covered Bonds, or, if so stated in the applicable Pricing Supplement, Definitive Covered Bonds, after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche, upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Covered Bonds will be exchangeable for Definitive Covered Bonds in whole but not in part (see “<i>Summary of Provisions Relating to the Covered Bonds while in Global Form</i>”).</p> <p>Registered Covered Bonds will be represented by Certificates, one Certificate being issued in respect of each Covered Bondholder’s entire holding of Registered Covered Bonds of one Series. Certificates representing Registered Covered Bonds that are registered in the name of a nominee or a nominee of the common depository (as applicable) for one or more clearing systems are referred to as “Global Certificates”.</p>
Clearing Systems	<p>Euroclear, Clearstream, CDP and/or CMU and, in relation to any Tranche, such other clearing system as agreed.</p>
Maturities	<p>Subject to compliance with all relevant laws, regulations and directives, the Covered Bonds may have any maturity that is one month or greater.</p>
Method of Issue	<p>Covered Bonds may be distributed by way of private placement on a syndicated or non-syndicated basis.</p> <p>The Covered Bonds will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical</p>

	<p>(or identical other than in respect of the first payment of interest and their issue price), the Covered Bonds of each Series being intended to be interchangeable with all other Covered Bonds of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement to this Offering Circular (a “Pricing Supplement”).</p>
Issue Price	<p>Covered Bonds may be issued on a fully-paid and at an issue price which is at par or at a discount to, or premium over, par.</p>
Fixed Rate Covered Bonds	<p>Fixed Rate Covered Bonds will bear interest, payable in arrear on such day(s) as may be agreed (as specified in the applicable Pricing Supplement).</p>
Floating Rate Covered Bonds	<p>Floating Rate Covered Bonds will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Interest Rate Derivatives Definitions (“2006 ISDA Definitions”) or the 2021 ISDA Interest Rate Derivatives Definitions (“2021 ISDA Definitions”) published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to EURIBOR, HIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark (or such other benchmark as may be specified in the applicable Pricing Supplement) as adjusted for any applicable margin. <p>Interest periods will be specified in the applicable Pricing Supplement.</p>
Zero Coupon Covered Bonds	<p>Zero Coupon Covered Bonds may be issued at their nominal amount or at a discount to it and will not bear interest.</p>
Other Covered Bonds	<p>Terms applicable to any other type of Covered Bonds which the Issuer may agree to issue under the Programme will be set out in the applicable Pricing Supplement.</p>
Change of Interest Basis	<p>Covered Bonds may be converted from one interest basis to another in the manner set out in the applicable Pricing Supplement.</p>
Redemption	<p>The applicable Pricing Supplement will indicate either that the Covered Bonds cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or if it becomes unlawful for any Advance to remain outstanding or following an Issuer Event of Default or a CBG Event of Default) or that such Covered Bonds will be redeemable at the option of the Issuer upon giving notice to the Covered Bondholders on a date or dates specified prior to such stated</p>

**Extendable Obligations under
the Covered Bond Guarantee**

maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement.

The applicable Pricing Supplement may provide that Covered Bonds may be redeemable in two or more instalments in such amounts and on such dates as indicated therein.

The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable.

The applicable Pricing Supplement may also provide that the Covered Bond Guarantor's obligations under the Covered Bond Guarantee to pay the Guaranteed Amounts corresponding to the Final Redemption Amount of the applicable Series of Covered Bonds on their Maturity Date (subject to applicable grace periods) may be deferred until the Extended Due for Payment Date. In such case, such deferral will occur automatically if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on their Maturity Date (subject to applicable grace periods) and if the Guaranteed Amounts equal to the Final Redemption Amount in respect of such Series of Covered Bonds are not paid in full by the Covered Bond Guarantor by the Extension Determination Date (for example, because the Covered Bond Guarantor has insufficient monies to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of the relevant Series of Covered Bonds after payment of higher ranking amounts and taking into account amounts ranking *pari passu* in the Guarantee Priority of Payments). To the extent that the Covered Bond Guarantor has received a Notice to Pay in sufficient time and has sufficient monies to pay in part the Final Redemption Amount, such partial payment shall be made by the Covered Bond Guarantor on any Interest Payment Date up to and including the relevant Extended Due for Payment Date as described in Condition 5(a). Interest will continue to accrue and be payable on the unpaid amount up to the Extended Due for Payment Date in accordance with Condition 4 (*Interest and other Calculations*) and the Covered Bond Guarantor will make payments of Guaranteed Amounts constituting Scheduled Interest on each relevant Due for Payment Date and Extended Due for Payment Date. The Extended Due for Payment Date if applicable in respect of a Series of Covered Bonds will be specified in the applicable Pricing Supplement.

Withholding Tax

All payments of principal and interest in respect of the Covered Bonds, the Receipts and the Coupons will be made free and clear of withholding taxes of Singapore or, if different, any other jurisdiction in which the Issuer is tax resident, unless required by law.

In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Covered Bondholders, the Receiptholders or the Couponholders (after the withholding or deduction) of such amount as would have been received by them in the absence of the withholding or deduction, subject to customary exceptions.

	<p>Under the Covered Bond Guarantee, the Covered Bond Guarantor will not be obliged to pay any such additional amounts payable by the Issuer.</p> <p>The Issuer or the Covered Bond Guarantor will not be obliged to pay any additional amount in respect of deductions or withholdings arising under or in connection with FATCA.</p>
Status of the Covered Bonds	The Covered Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer.
Covered Bond Guarantee	<p>Payment of Guaranteed Amounts in respect of the Covered Bonds when Due for Payment will be irrevocably guaranteed by the Covered Bond Guarantor. The obligations of the Covered Bond Guarantor to make payment in respect of the Guaranteed Amounts when Due for Payment are subject to the condition that:</p> <ul style="list-style-type: none"> (a) an Issuer Event of Default occurs, an Issuer Acceleration Notice is served by the Bond Trustee on the Issuer and a Notice to Pay is served by the Bond Trustee on the Covered Bond Guarantor; or (b) a CBG Event of Default occurs and a CBG Acceleration Notice is served by the Bond Trustee on the Issuer and the Covered Bond Guarantor (copied to the Security Trustee). The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will accelerate against the Covered Bond Guarantor upon the service of a CBG Acceleration Notice. <p>The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute direct obligations of the Covered Bond Guarantor secured against the assets from time to time of the Covered Bond Guarantor and recourse against the Covered Bond Guarantor is limited to such assets.</p>
Negative Pledge	None.
Cross Default	If a CBG Acceleration Notice is served in respect of any Series of Covered Bonds, then the obligation of the Covered Bond Guarantor to pay Guaranteed Amounts in respect of all Series of Covered Bonds outstanding will be accelerated.
Issuer Events of Default	As set out in Condition 9(a).
CBG Events of Default	As set out in Condition 9(b).
Rating	Each Tranche of Covered Bonds issued under the Programme may be rated or unrated. When a Tranche of Covered Bonds is rated, its rating will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.
Listing	Application has been made for Covered Bonds issued under the Programme which are agreed at the time of issue to be so listed, to be listed on the SGX-ST. For so long as any Covered Bonds are listed on the SGX-ST and the rules of the SGX-ST so require,

	<p>such Covered Bonds will be traded on the SGX-ST in a minimum board lot size of SGD 200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. The Covered Bonds may also be listed on such other or further stock exchange(s) as may be agreed in relation to each Series.</p> <p>Unlisted Covered Bonds may also be issued.</p>
Covered Bonds Regulation	<p>The Issuer will issue Covered Bonds under the Programme in accordance with MAS Notice 648.</p>
Governing Law	<p>English law: Covered Bonds, Trust Deed (including the Covered Bond Guarantee), Programme Agreement, Agency Agreement, Swap Agreements and English Security Trust Deed (save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law).</p> <p>Singapore law: All Transaction Documents (not including limbs (p), (v), (x) and (y) of the description below) other than those specified as being governed by English law above.</p>
Selling Restrictions	<p>United States, the EEA, the UK, Hong Kong, Japan, Singapore, Australia, Indonesia and the PRC and other restrictions as may be required in connection with a particular issue of the Covered Bonds. See “<i>Subscription and Sale</i>” and any additional selling and transfer restrictions set out in the applicable Pricing Supplement.</p> <p>Bearer Covered Bonds will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”)) (“TEFRA D”) unless:</p> <ul style="list-style-type: none"> (i) the applicable Pricing Supplement states that the Covered Bonds are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Code) (“TEFRA C”); or (ii) the Covered Bonds are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Covered Bonds will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the applicable Pricing Supplement as a transaction to which TEFRA is not applicable. <p>There are restrictions on the transfer of Covered Bonds sold pursuant to Regulation S prior to the expiration of the relevant distribution compliance period.</p>
Risk Factors	<p>There are certain risks related to any issue of Covered Bonds under the Programme, which investors should ensure they fully understand, a non-exhaustive summary of which is set out under “<i>Risk Factors</i>”.</p>

Transaction Documents

Transaction Documents include the following, as further described in “*Structure Overview*” and “*Summary of the Principal Documents*”:

- (a) Agency Agreement;
- (b) Ancillary Intercompany Loan Agreement;
- (c) Asset Monitor Agreement;
- (d) Bank Account Agreement;
- (e) Cash Management Agreement;
- (f) CBG Declaration of Trusts;
- (g) Corporate Services Agreement;
- (h) each Covered Bond Swap Agreement;
- (i) Declaration of Assets Trust;
- (j) English Security Trust Deed;
- (k) Establishment Deed;
- (l) Intercompany Loan Agreement;
- (m) each Interest Rate Swap Agreement;
- (n) Master Definitions Agreement;
- (o) Mortgage Sale Agreement;
- (p) each Pricing Supplement (as applicable in the case of each issue of Covered Bonds);
- (q) Programme Agreement;
- (r) Servicing Agreement;
- (s) Shares Declaration of Trust;
- (t) Singapore Deed of Charge (and any documents entered into pursuant to the Singapore Deed of Charge);
- (u) Subordinated Loan Agreement;
- (v) each Subscription Agreement (as applicable in the case of each issue of Covered Bonds subscribed pursuant to a subscription agreement);
- (w) Trust Deed;
- (x) each document, agreement or indenture ancillary or supplemental to any of the documents specified in paragraphs (a) to (w) (inclusive) above; and
- (y) any other agreement or document from time to time designated as such by the Issuer, the CBG, the Bond Trustee and the Security Trustee.

SELECTED FINANCIAL INFORMATION

1 Selected Financial Information of the Bank

The selected financial information below has been derived from, and should be read in conjunction with, the Bank's audited financial statements as at and for the years ended 31 December 2021, 31 December 2022 and 31 December 2023 and their related notes thereto. The Bank's financial statements are reported in Singapore dollars and presented in accordance with the SFRS(I) in Singapore and the requirements of the Companies Act 1967 of Singapore.

- (a) Selected Income Statement items as extracted from the audited financial statements for the financial years ended 31 December 2021, 2022 and 2023 respectively

	Audited	Audited	Audited
	For the financial year ended 31 December	For the financial year ended 31 December	For the financial year ended 31 December
	2021	2022	2023
	(S\$'000)	(S\$'000)	(S\$'000)
Statement of Comprehensive Income			
Interest income	562,609	725,334	1,321,666
Interest expense	(234,750)	(283,152)	(848,970)
Net interest income	327,859	442,182	472,696
Fee and commission income	243,066	209,948	233,929
Fee and commission expense	(30,753)	(35,145)	(48,785)
Net fee and commission income	212,313	174,803	185,144
Dealing profits and foreign exchange income	20,600	51,914	27,948
Other income	50,533	41,051	56,467
Total other items of income	71,133	92,965	84,415
Income before operating expenses	611,305	709,950	742,255
Staff and other remuneration	(263,834)	(281,872)	(303,340)
Other operating expenses	(171,998)	(180,518)	(187,216)
Operating profit before impairment	175,473	247,560	251,699
Allowances for impairment losses on financial assets	6,643	(73,617)	(71,483)
Profit before taxation	182,116	173,943	180,216
Taxation	(24,937)	(25,498)	(29,838)
Net profit after taxation	157,179	148,445	150,378
Profit for the year attributable to the owner	157,179	148,445	150,378
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Net change in fair value on debt securities at fair value through other comprehensive income (" FVOCI ")	(62,154)	(115,370)	151,299
Net change in allowance for expected credit losses (" ECL ") of debt securities at FVOCI	(88)	53	(13)

	Audited	Audited	Audited
	For the financial year ended 31 December		
	2021	2022	2023
	<i>(S\$'000)</i>	<i>(S\$'000)</i>	<i>(S\$'000)</i>
Reclassification to profit or loss from sale / redemption of debt securities at FVOCI	(7,527)	2,268	(145)
Income tax relating to components of other comprehensive income	9,407	15,269	(20,405)
Other comprehensive income for the year, net of income tax	(60,362)	(97,780)	130,736
Total comprehensive income for the year	96,817	50,665	281,114
Total comprehensive income attributable to the owner	96,817	50,665	281,114

(b) Selected Balance Sheet data as extracted from the audited financial statements for the financial years ended 31 December 2021, 2022 and 2023 respectively.

	Audited	Audited	Audited
	For the financial year ended 31 December		
	2021	2022	2023
	<i>(S\$'000)</i>	<i>(S\$'000)</i>	<i>(S\$'000)</i>
Statement of Financial Position			
Assets			
Cash and balances with central bank	1,089,990	1,341,444	1,148,184
Government securities and treasury bills	4,189,410	2,421,491	3,742,413
Other Debt securities	157,652	199,013	260,854
Balances and placements with and loans to banks	161,854	169,888	104,838
Bills receivable	12,196	12,976	1,481
Loans and advances to non-bank customers	24,440,869	24,354,978	24,767,346
Amounts due from related corporations	5,332,759	5,935,267	8,921,468
Other assets	74,119	131,749	158,943
Deferred tax assets	—	15,921	3,028
Intangible assets	82,956	74,894	73,659
Right-of-use assets	46,372	39,219	56,646
Property and equipment	20,035	22,273	24,222
Total assets	35,608,212	34,719,113	39,263,082
Liabilities			
Amounts due to central bank	1,237,325	409,365	57,098

	Audited	Audited	Audited
	For the financial year ended 31 December		
	2021	2022	2023
	(S\$'000)	(S\$'000)	(S\$'000)
Deposits of non-bank customers	31,062,264	30,451,469	35,244,521
Bills payable	86,568	99,241	130,649
Amounts due to related corporations	6,233	9,104	8,388
Current income tax payable	35,721	30,681	36,476
Other liabilities	180,658	265,122	261,625
Lease liabilities	46,420	39,550	57,717
Deferred tax liabilities	4,968	—	—
Subordinated notes	505,018	504,916	504,916
Debt securities issued	372,509	808,472	639,385
Total liabilities	33,537,684	32,617,920	36,940,775
Equity attributable to the owner			
Share capital	2,000,000	2,000,000	2,000,000
Retained earnings	101,813	230,258	320,636
Fair value adjustment reserve	(31,285)	(129,065)	1,671
Total equity attributable to the owner	2,070,528	2,101,193	2,322,307
Total liabilities and equity attributable to the owner	35,608,212	34,719,113	39,263,082
Off-balance sheet items			
Contingent liabilities	212,474	237,027	266,406
Commitments	8,212,733	9,811,764	9,537,637
Financial derivatives (notional)	3,404,397	4,087,918	5,702,621
Total off-balance sheet items	11,829,604	14,136,709	15,506,664
(c) Selected Unaudited Financial Ratios:			
	As at/for the financial year ended 31 December		
	2021	2022	2023
Financial Ratios			
Net return on average assets ⁽¹⁾	0.4%	0.4%	0.4%
Net return on average shareholders' funds ⁽²⁾	7.7%	7.1%	6.8%
Net interest margin on average interest earning assets ⁽³⁾	0.9%	1.3%	1.3%
Net impaired loans ratio ⁽⁴⁾	0.2%	0.2%	0.5%
Loan loss coverage ⁽⁵⁾	163.6%	255.2%	142.0%
Loan-to-deposit ratio ⁽⁶⁾	78.7%	80.0%	70.3%

	As at/for the financial year ended 31 December		
	2021	2022	2023
Cost to income ratio ⁽⁷⁾	71.3%	65.1%	66.1%

Notes:

- (1) $\frac{\text{Profit for the year attributable to the owner}}{\text{Average total assets over 2 financial years}} \times 100$
- (2) $\frac{\text{Profit for the year attributable to the owner}}{\text{Average total equity attributable to the owner over 2 financial years}} \times 100$
- (3) $\frac{\text{Net interest income}}{\text{Average sum of financial assets at other comprehensive income and financial assets at amortised cost over 2 financial years}} \times 100$
- (4) $\frac{\text{Net impaired loans and advances}}{\text{Loans and advances to non bank customers}} \times 100$
- (5) $\frac{\text{Total expected credit loss for loans and advances}}{\text{Total gross impaired loans}} \times 100$
- (6) $\frac{\text{Loans and advances to non bank customers}}{\text{Deposits of non bank customers}} \times 100$
- (7) $\frac{\text{Sum of staff and other remuneration and other operating expenses}}{\text{Income before operating expenses}} \times 100$

2 Capitalisation of the Bank

As at 31 December 2023, the share capital of the Bank was S\$2 billion and there were 2,000,000,000 issued ordinary shares.

Please refer to Section (1)(b) above which sets forth the liabilities and shareholders' equity of the Bank as at 31 December 2023 derived from the audited financial statements of the Bank for the financial year ended 31 December 2023.

3 Funding and Capital Adequacy

The Bank has a liability structure primarily comprising fixed deposits, demand deposits and savings deposits. The Bank's deposits from customers increased by 15.7% year-on-year driven by increases to fixed deposits. The Bank's Current Account and Savings Account ("CASA") ratio as at 31 December 2023 was 32.2%.

Through the Bank's agile funding strategy, it was able to maintain its all-currency Liquidity Coverage Ratio ("LCR") at 198.5% and SGD LCR at 225.6% as at 31 December 2023, above the regulatory all-currency LCR requirement of 50% and SGD LCR requirement of 100%.

The table below sets out the profile of the Bank's customer deposits:

Profile of deposits from customers

	As at 31 December 2021	As at 31 December 2022	As at 31 December 2023
	(S\$m)	(S\$m)	(S\$m)
Fixed Deposits.....	15,215	18,877	23,828
Current Accounts.....	6,526	5,241	4,956

	As at 31 December 2021	As at 31 December 2022	As at 31 December 2023
	(S\$m)	(S\$m)	(S\$m)
Savings Deposits.....	9,241	6,267	6,392
Others deposits	80	66	69
Total Deposits.....	31,062	30,451	35,245

The capital adequacy ratios of the Bank are as follows:

	As at 31 December 2021	As at 31 December 2022	As at 31 December 2023
CET1 Capital Ratio ⁽¹⁾	14.0	14.2	14.5
Tier 1 Capital Ratio ⁽²⁾	14.0	14.2	14.5
Total Capital Ratio ⁽³⁾	18.0	18.3	18.3

Notes:

- (1) $\frac{\text{Common Equity Tier 1 Capital}}{\text{Total risk-weighted assets for credit, market and operational risks}} \times 100$
- (2) $\frac{\text{Total Tier 1 Capital}}{\text{Total risk-weighted assets for credit, market and operational risks}} \times 100$
- (3) $\frac{\text{Total Capital}}{\text{Total risk-weighted assets for credit, market and operational risks}} \times 100$

RISK FACTORS

Each of the Issuer and the Covered Bond Guarantor believes that the following factors may affect its business (as applicable) and/or its ability to fulfil its obligations under the Covered Bonds issued under the Programme. All of these factors are contingencies which may or may not occur and neither the Issuer, nor the Covered Bond Guarantor, is in a position to express a view on the likelihood of any such contingency occurring.

Prospective investors should carefully consider, among other things, the risks described below, as well as the other information contained in this Offering Circular and reach their own views prior to making an investment decision. Any of the following risks could materially and adversely affect the Issuer's or the Covered Bond Guarantor's business, financial condition or results of operations and, as a result, investors could lose all or part of their investment. The risks below are not the only risks the Issuer or the Covered Bond Guarantor face. Additional risks and uncertainties not currently known to the Issuer or the Covered Bond Guarantor, or that they currently deem to be immaterial, may also materially and adversely affect the Issuer's or the Covered Bond Guarantor's business, financial condition or results of operations.

Risks Relating to the Issuer

The Issuer is liable to make payments when due on the Covered Bonds.

The Issuer is liable to make payments when due on the Covered Bonds issued by it. The obligations of the Issuer under the Covered Bonds are direct, unconditional, unsubordinated and unsecured obligations, ranking *pari passu* without any preference amongst themselves and (save for such exceptions as may be provided by applicable legislation) equally with all of its other present and future unsecured and unsubordinated obligations.

The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will be secured by the Security created under the Deeds of Charge. However, the Covered Bond Guarantor has no obligation to pay the Guaranteed Amounts payable under the Covered Bond Guarantee until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and on the Covered Bond Guarantor of a Notice to Pay or, following the occurrence of a CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice on the Issuer and the Covered Bond Guarantor (copied to the Security Trustee). The occurrence of an Issuer Event of Default does not constitute a CBG Event of Default. However, failure by the Covered Bond Guarantor to pay amounts when Due for Payment under the Covered Bond Guarantee would constitute a CBG Event of Default, which would entitle the Bond Trustee to accelerate the obligations of the Issuer under the Covered Bonds (if they have not already become due and payable) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and require the Security Trustee to enforce the Security.

The Issuer is subject to credit risk, market risk, non-financial risk and liquidity risk.

In the course of its business activities, the Issuer is exposed to a variety of risks, mainly consisting of credit risk, market risk, non-financial risk and liquidity risk. The Issuer ensures that its risk management framework, practices and processes remain robust by continuously adapting and strengthening its risk management approach and capabilities to effectively manage and mitigate risks to which it is exposed. While the Issuer believes that it has implemented the appropriate policies, systems and processes to control and mitigate these risks, investors should note that any failure to adequately manage these risks could be greater than anticipated and could result in adverse effects on the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

The Issuer has in place its own "Enterprise Risk Management Framework" which facilitates effective risk oversight through a sound and well-defined internal governance model, with a clear structure of risk ownership and accountability. The framework is supported by other risk policies and detailed

procedures/guidelines to guide businesses in proactive risk management, whilst working towards achieving their business objectives. The risk management framework is reviewed regularly to keep it relevant to the Issuer's business strategy and prevailing market conditions.

Credit risk

Credit risk is the risk that a counterparty fails to meet its obligations in accordance with the agreed terms of a credit facility. The exposures to credit risk are unilateral and only the lending bank faces the risk of loss. Such risks could arise from adverse changes in the credit quality and recoverability of loans, advances or amounts due from counterparties which are inherent in a wide range of the Issuer's businesses or from a general deterioration in local or global economic conditions or from systemic risks within the financial system, all of which could affect the recoverability and value of the Issuer's assets and require an increase in the Issuer's provisions for the impairment of its assets and other credit exposures.

The Issuer has put in place a robust risk management for managing credit risk effectively and proactively. This includes among others, being responsive to new or emerging risks/threats and opportunities.

In addition, the Issuer is subject to the MSL Credit Risk Framework and MSL Credit Risk Policy, which contains guiding principles for the management of credit risk, supported by guidelines and procedures to ensure prudent and effective management of credit risk with the objective of attaining diversified and resilient credit portfolio.

While the Issuer believes that it has adopted sound risk management policies and processes, there is no assurance that these will remain effective or adequate in the future. Any failure to manage the credit risk of the Issuer may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Market risk

Market risk is the risk of loss or the adverse impact on earnings or capital arising from adverse movements in market rates or prices such as interest rates/ profit rates, foreign exchange rates, commodity prices and equity prices. Such risks can be further categorised based on trading and non-trading/banking activities. Traded market risk arises mainly from proprietary trading, flow trading and market making activities. These activities may create positions held with trading intent to express a market view, to benefit from short term price movements or to lock in arbitrage profits. Non-traded market risk is primarily inherent risk arising from banking book activities. The major risk classes are interest rate risk and/or rate of return risk in the banking book and foreign exchange risk.

The Issuer believes that it has adopted effective strategies and sound market risk management policies and processes to minimise or mitigate the risk to an acceptable level. However, there is no assurance that these will remain effective or adequate in the future. Any failure to manage the market risk of the Issuer may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Interest Rate Risk/ Rate of Return in the Banking Book ("IRR/RoRBB")

IRR/RoRBB is defined as the risk of loss in earnings or economic value on banking book exposures arising from movements in interest rates. Sources of IRR/RoRBB include repricing, basis, yield curve and option risk. Accepting IRR/RoRBB is a normal part of banking and can be an important source of profitability and shareholder value. However, excesses of this risk can be detrimental to the Issuer's earnings, capital, liquidity and solvency. Banking book policies and limits are established to measure and manage non-traded market risk. Repricing gap analysis remains one of the building blocks for IRR/RoRBB assessment for the Issuer.

Earnings-at-Risk ("EaR") and Economic Value-at-Risk ("EVaR") are derived to gauge the maximum tolerance level of the adverse impact of market interest rate movements towards earnings and capital.

Through the Asset and Liability Management Committee (“**ALCO**”)’s supervision, the Issuer’s IRR/RoRBB exposure is computed and reported by the Non Traded Risk Unit on a monthly basis. The Group Corporate Treasury (“**GCT**”) unit together with the Non Traded Risk unit provides recommendations for active risk management and balance sheet optimisation in accordance with the approved policies to the ALCO.

Certain portfolios such as products with non-deterministic characteristics are subjected to periodic statistical modelling to understand the customer/product’s behavioural patterns in relation to changing rates and business cycles. Regular risk assessment and stress testing are applied to ensure the portfolios can withstand the risk tolerance and adverse rate scenarios.

Although the Issuer believes that it has adopted sound interest rate risk management strategies, there is no assurance that such strategies will remain effective or adequate in the future. Any failure to manage the risks may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

*Foreign Exchange (“**FX**”) Risk in the Banking Book*

FX risk is the risk of loss in value arising from exchange rate movements. Residual or unhedged FX positions are managed in accordance with the approved policies and limits.

Foreign currency assets in the banking book may be match-funded by the same currency to minimise FX NOP. In addition, the Issuer implements qualitative controls such as listing of permissible onshore or offshore currencies and hedging requirements for managing FX risk. FX risk is primarily assessed from both earnings and capital perspectives. Group ALCO plays an active role in ensuring FX risk is managed within stipulated limits.

The Issuer believes that it has adopted effective strategies and sound management policies and processes to minimise and mitigate the risk. However, there is no assurance that these will remain effective or adequate in the future. Any failure to manage the FX risk of the Issuer may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Non-Financial Risk

Non-financial risk refers to the risk of loss arising from operational events and/or external factors that could result in monetary losses or negative impact to the brand value and stakeholder’s perception of the Issuer. It comprises sub-risk types such as operational risk, information business continuity risk, third party risk, product risk, technology & cyber risk, data risk, conduct risk, legal risk, compliance risk and other downside risks (i.e. the “known unknowns”).

The management of non-financial risk is anchored on an established risk strategy that provides the overall principles and objectives, with a defined risk appetite reflecting the Issuer’s acceptable tolerance level for non-financial risk. A sound risk governance model premised on the three lines of defence and a robust risk culture are vital in driving the management of non-financial risk in the Issuer. To further strengthen the management of non-financial risk, risk methodologies and tools are deployed and integrated into processes to support businesses from the point of discovery of an incident until its resolution. The risk methodologies and tools complement each other for an effective process to identify, assess and measure, control, monitor and report non-financial risk exposures on a timely basis, in minimising the financial loss and reputational risk towards the Issuer.

The COVID-19 pandemic over the past three years has accelerated the need to meet the digitalisation requirements of all stakeholders while maintaining the operational resilience of the Issuer’s people, processes and infrastructure. In response to COVID-19, the group consisting of Malayan Banking Berhad and its subsidiaries (the “**Maybank Group**”), which includes the Issuer, enhanced its “Maybank Group Pandemic Preparation Framework”, which is a Group-wide document designed to ensure the continuity of business operations, staff safety and safety of Maybank’s customers and communities. Measures include the implementation of relevant Standard Operating Procedures (“**SOPs**”) and activation of business

continuity plans. These SOPs include staff and customer safety measures (e.g. vaccination requirements, COVID-19 self-test kits) and building safety measures (e.g. capacity limits, physical distancing markers, regular sanitisation). In addition to critical teams working from multiple sites, work-from-home arrangements have also been strengthened with relevant secured tools and infrastructure to enable seamless continuity of operations and safety of staff.

The Issuer continues to focus on potential cyber threats, infrastructure resilience as well as data loss/theft and disruption that could impact delivery channels, business services, communications and the Issuer's digital agenda as a whole. This was especially pertinent as the volume and frequency of digital transactions surged due to the COVID-19 pandemic. Detailed analysis of the IT infrastructure and systems, as well as global trends in cyber risks, enabled the IT Security team to identify potential threats and security breaches to ensure the Issuer's systems remain resilient as the volume of online transaction increases. The cyber risk management framework and methodology have been enhanced and aligned with international standards, such as the Cybersecurity Framework and Risk Management Framework by the National Institute of Standards and Technology, to take into account emerging threats.

The Issuer believes that it has implemented the relevant risk controls and loss mitigation strategies. However, there is no assurance that non-financial risks can be eliminated entirely. Any failure to manage the non-financial risk of the Issuer may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Liquidity risk

Liquidity risk is defined as the risk of an adverse impact to the financial condition or overall safety and soundness arising from the inability (or perceived inability) of, or unexpected higher cost to, the Issuer to meet its obligations. It is also known as consequential risk, triggered by underlying problems which can be endogenous (e.g. credit risk deterioration, rating downgrade, operational risk events) or exogenous (e.g. market disruption, default in the banking payment system and deterioration of sovereign risk). Liquidity risk can be further classified into funding and market liquidity risk of which the former reflects the risk of a firm not being able to meet both expected and unexpected current and future cash flow and collateral needs effectively without affecting either daily operations or the financial condition of the firm. The latter refers to the risk of which a firm cannot easily offset or eliminate the position at market price because of inadequate market depth or market disruption.

The Issuer believes that it has adopted relevant policies and balance sheet strategies in place. There is no assurance that there will not be a liquidity crisis affecting the Issuer, and the failure to maintain adequate sources of funding may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Environmental, Social and Governance ("ESG") Risk.

ESG risk arises from the failure to address ESG concerns could adversely impact the sustainability of business operations, the value of the assets and liabilities, and reputation failure to address ESG concerns. Premised on the guiding principles of ESG risk management which are embedded in the Maybank Group Singapore ESG Risk Management Framework, the Issuer continuously reviews and enhances its ESG practices by working with its stakeholders to drive sustainable business activities.

As part of enhancing its ESG practices, the Issuer incorporates ESG considerations into business processes in a meaningful way by applying the ESG Risk Acceptance Criteria, which was developed by the Maybank Group for high ESG risk industries. Any failure to manage the ESG risk of the Issuer may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer. The Issuer is continuously enhancing the integration of ESG considerations into its risk management activities in order to ensure that it is adequately addressing this emerging risk area.

A deterioration in asset quality could adversely affect the Issuer.

The Issuer reviews its credit risk policies, guidelines and procedures regularly to ensure that they are fit for purpose and are in line with the latest regulatory requirements, the Issuer's risk appetite as well as the market environment.

The Issuer has dedicated teams to effectively manage vulnerable small and medium enterprises and consumer credits. Special attention is given to these vulnerable credits where more frequent and intensive reviews are performed in order to prevent further deterioration or, where necessary, accelerate for remedial actions. The Asset Quality Committees provide guidance and oversight in ensuring these are complied with.

Following the COVID-19 pandemic, the Issuer stepped up efforts to proactively monitor and manage affected credits via several measures, including but not limited to moratoriums and extended repayment assistance.

In addition, credit risk management policies, tools and methodologies are developed, enhanced and communicated across the Issuer's teams to ensure appropriate standards are in place to identify, measure, control, monitor and report such risks.

While the Issuer believes that it has adopted sound risk management practices in managing its asset quality, there is no assurance that these will remain effective or adequate in the future. A deterioration of asset quality may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Deterioration in collateral values or inability to realise collateral value may necessitate an increase in the Issuer's provisions.

Some portion of the Issuer's loans are secured by collateral such as real estate and securities, the values of which may decline with a downturn in global economic conditions and/or outlook. Any downward adjustment in collateral values, which is performed with supported basis/assumptions, may lead to a portion of the Issuer's loans exceeding the value of the underlying collateral. Such downward adjustment, which will impact the future cash flow recovery, combined with a deterioration in the general credit worthiness of borrowers, may result in an increase in the Issuer's loan loss provisions and potentially reduce its loan recoveries from foreclosures of collateral. This could have an adverse effect on the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

A global or regional financial crisis or financial instability in Singapore or the region could adversely affect its operations, asset quality and growth.

Several major events and developments in recent times have significant implications for the world and the Issuer. First, the risk of a sharp global economic slowdown has risen as the US Federal Reserve and other major central banks have hiked interest rates aggressively and signalled that interest rates could stay elevated for longer to tame the still-high inflation. This has, and will continue to have, negative spillovers particularly on export-oriented Asian countries such as Singapore. Inadequate energy infrastructure in some European countries could also challenge the prospect of obtaining adequate energy supply for the year ahead, particularly if the Russia-Ukraine conflict continues to be prolonged and alternative oil supply is constrained. Second, China's economic recovery may remain soft if its recent policy support measures and easing of COVID-19 restrictions alongside anticipated interest rate cuts in 2023 fail to improve the challenging conditions in the property market and boost household consumption. Third, notwithstanding recent dialogues, tensions between the U.S. and China remain elevated in the areas of data and technology security as well as Taiwan. A technology war has continued in the midst of the in-force U.S. stringent licensing for export of advanced chips and technology/tools for use in China military. A military conflict over Taiwan will likely disrupt trade and transportation routes as well as advanced chip supply to the world given Taiwan's role as a key global chip supplier. Fourth, besides Taiwan, a material escalation

in geopolitical risks such as the Russia-Ukraine conflict, tensions in the Middle East and the Indo-Pacific region as well as North and South Korea could aggravate ongoing global economic slowdown while increasing inflation, financial market volatilities and capital flight from emerging markets. Lastly, higher nominal and real interest rates will impact debt servicing ability of highly leveraged corporates and lead to increased pace of defaults. Countries that struggle to obtain adequate external financing for their fiscal and current account payments against a backdrop of a sharp erosion of their international reserves could lean towards imposing severe restrictions to stem capital outflows and even announce a default on sovereign debt payments.

To the extent that uncertainty regarding the economic outlook is heightened and starts to negatively impact consumer confidence and consumer credit factors globally or regionally, the Issuer's business, financial condition and results of operations could be significantly and adversely affected. Investors should be aware that there is a recent history of financial crises and boom-bust cycles in multiple markets in both emerging and developed economies which leads to risks for all financial institutions, including the Issuer. The Issuer remains subject to the indirect economic effect of any potential tightening in global credit conditions, some of which cannot be anticipated and the vast majority of which are not under its control. The Issuer also remains subject to counterparty risk arising from financial institutions that can fail or are otherwise unable to meet their obligations under their contractual commitment to the Issuer.

On a geographical basis, the Issuer's performance and the quality and growth of its assets are substantially dependent on the economic health of Singapore as its sole primary market. In particular, Singapore is highly dependent on external trade and investment, and is exposed to economic and market conditions in other countries in light of the interconnectivity between Singapore's economy and the rest of the world. If there is another global or regional financial crisis or a severe economic downturn in the Issuer's primary markets, this would likely have a material adverse effect on the Issuer's business, financial condition or results of operations. This would result in lower demand for credit and other financial products and services, and higher defaults among corporate and retail customers, which could adversely affect the Issuer's business, financial performance, shareholders' equity, ability to implement its strategy and the price of the Covered Bonds.

Terrorist activities, natural calamities and outbreak of communicable diseases around the world could lead to higher volatility in international capital markets, which may materially and adversely affect the Issuer's business, financial condition, results of operations, prospects and/or reputation.

Terrorist attacks, natural calamities and outbreak of communicable diseases (such as MERS, Ebola, the avian flu, H1N1, SARS and the Zika virus) around the world may affect investor sentiment and could result in sporadic volatilities in international capital markets or adversely affect Singapore and other economies.

For example, the outbreak of COVID-19 in 2020 has resulted in, among other things, renewed travel and transportation restrictions, imposition of quarantines, supply chain disruptions and increased volatility in international capital markets. While these "lockdowns" and "social distancing" measures were crucial for public health, they have resulted in supply and demand shocks in terms of disruptions in supply chains as well as global trade and travel, financial stresses on businesses, and increased unemployment, that feed into heightened turbulence in global financial and commodity markets, and ultimately triggered global economic recession as the world's real gross domestic product ("**GDP**") in 2020 declined by -3.1%. There can be no assurance that any precautionary measures taken against infectious diseases or pandemic would be effective. Any failure to manage these risks may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Similarly, natural calamity incidents are increasing in frequency throughout the world, causing loss of agricultural and industrial production and exports as well as destruction of infrastructure. Any material

change in the financial markets, the Singapore economy or economies of countries or regions where the Issuer operates as a result of these events or developments may materially and adversely affect the Issuer's business, financial condition, results of operations, prospects and/or reputation.

The Issuer's business is inherently subject to the risk of market fluctuations.

The Issuer's business is inherently subject to risks in financial markets and in the wider economy, including changes in, and increased volatility of, exchange rates, interest rates, inflation rates, credit spreads, commodity, equity, bond and property prices and the risk that its customers act in a manner which is inconsistent with business, pricing and hedging assumptions. While the Issuer usually engages in foreign currency hedging transactions to minimise its foreign currency exposure, fluctuations in the value of the Singapore dollar against other currencies may adversely affect the Issuer's business, financial condition, results of operations, prospects and/or reputation.

The Issuer's inability to implement, or consistently follow, its risk management systems may adversely affect its business, financial condition and results of operations, and there can be no assurance that the Issuer's risk management systems will remain effective. In addition, the Issuer's risk management systems may not be fully effective in mitigating risk exposures that are unidentified or unanticipated.

The Issuer faces risks arising from the impact of the increase in the cost of living in Singapore.

The Issuer's customer base is primarily based in Singapore. Recently, Singapore has seen slower economic growth, along with inflationary pressure and increases in interest rates by major economies around the world. These recent interest rate increases, coupled with concerns over headwinds from high inflation, have the potential to impact a material amount of Singapore household incomes.

These factors have led to cost of living challenges for the Issuer's customers, which have the potential to impact the short and medium-term credit performance of the Issuer, along with an increased probability of risk to the Issuer's customers and their ability to repay their debts. A sustained cost of living challenge could impact the Issuer's strategy and have a negative impact on the Issuer's profitability, capital, funding and liquidity requirements and increase market volatility. Additionally, there is a risk of increased fraudulent activity as a consequence of cost of living pressures.

The cost of living challenges being faced by customers could potentially also result in an increased level of customer stress leading to increased defaults by customers, which in turn could lead to material arrears and credit losses for the Issuer. This in turn could affect the Issuer's ability to fulfil its obligations under the Covered Bonds.

The Issuer is exposed to risks relating to high levels of unemployment.

As a retail bank, the Issuer's business performance is impacted by the economic status and wellbeing of its customers, a principal driver of which is overall employment levels.

Higher levels of unemployment have historically resulted, for example, in a decrease in new mortgage borrowing, reduced deposit growth and reduced or deferred levels of spending, which adversely impact upon fees and commissions received on credit and debit card transactions and demand for unsecured lending. Higher unemployment rates and the resultant decrease in customer income can also have a negative impact on the Issuer's results, including through an increase in arrears, forbearance, impairment provisions and defaults. Consequently, sustained high levels of unemployment could have a material adverse impact on the Issuer's business, financial condition and results of operations. This in turn could affect the Issuer's ability to fulfil its obligations under the Covered Bonds.

The Issuer is dependent on its directors and senior management.

The Issuer relies on its directors and senior management for its business direction and business strategy. The loss of directors or members of the senior management team could adversely affect its ability to operate its business or to compete effectively, and in turn, affect its financial performance and prospects.

The senior management has developed succession plans and training programmes for the development of talent within the Issuer. However, there can be no assurance that such measures will be sufficient to prevent any loss of directors or members of the senior management team throughout the tenor of any Covered Bonds.

The Issuer may be unable to comply with the restrictions and covenants contained in its debt agreements.

If the Issuer is unable to comply with the restrictions and covenants in its current or future debt agreements, there could be a default under the terms of those agreements. In the event of a default under those agreements, the creditors of the debt could terminate their commitments to lend to the Issuer, accelerate the debt and declare all amounts borrowed due and payable and/or terminate such debt agreements, whichever the case may be. Such actions may result in an Issuer Event of Default under the Terms and Conditions of the Covered Bonds issued.

The Issuer may encounter challenges in implementing new business strategies.

The Issuer's business strategy includes developing new products and increasing the Issuer's regional presence. The expansion of the Issuer's business activities may expose it to a number of risks and challenges including, among other things, the following:

- (i) new and expanded business activities may have less growth or profit potential than the Issuer anticipates, and there can be no assurance that new business activities will become profitable at the level the Issuer aspires or at all;
- (ii) the new business strategy may alter the risk profile of the Issuer's portfolio;
- (iii) the Issuer may be challenged to identify and offer attractive new services in a timely manner, putting it at a disadvantage with competitors; and
- (iv) the Issuer's competitors may have substantially greater experience and resources in the new and expanded business activities therefore the Issuer may not be able to attract customers from its competitors.

The Issuer's inability to implement its business strategy could have a material adverse effect on its business, financial condition, results of operations, prospects and/or reputation.

Any failure to keep pace with technological advances or to maintain an appropriate level of investment in information technology may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

The Issuer is committed to keeping pace with technological advances and has invested in information technology to foster and support the Issuer's business objectives. Although the Issuer intends to continue to make investments to promote new levels of process efficiency and effectiveness to improve its business performance and risk management capabilities, these investments and the ensuing changes with respect to its information technology may expose the Issuer to technical or operational risks or difficulties associated with transitioning or integrating its existing systems and infrastructure with the introduction of new technologies, systems or other equipment. There can be no assurance that the Issuer's efforts in enhancing its information technology will transition smoothly, adequately implemented or sufficiently protected against advanced technology threats. Nonetheless, any strategic or technical lapse in implementing its new information technology platform and any failure to maintain an appropriate level of investment in information technology for the Issuer could adversely affect its business, financial condition, regulatory compliance, results of operations, prospects and/or reputation.

The Issuer may not be able to fully identify money laundering activities or other illegal or improper activities on a timely basis, which could expose it to additional liability and adversely affect the Issuer's business.

The Issuer is required to comply with applicable anti-money laundering, counter-terrorism financing laws and other regulations in Singapore. These laws and regulations require the Issuer, among other things, to adopt and enforce "know your customer" policies and procedures and to report suspicious transactions to the applicable regulatory authorities in different jurisdictions. The Issuer has implemented policies and procedures aimed at detecting and preventing the use of its networks for money-laundering activities, illegal or improper activities or by terrorists and terrorist-related organisations and individuals. However, as is the case in the financial sector, some residual risks remain and money laundering/terrorism financing risks cannot be fully eliminated. To the extent that the Issuer may fail to fully comply with applicable laws and regulations, the relevant government agencies to which the Issuer reports have the power and authority to impose fines and other penalties on the Issuer, which may adversely affect the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

Risks relating to the Legal and Regulatory Environment in which the Issuer operates

The Issuer may be required to raise additional capital if its capital adequacy ratio deteriorates in the future or if it becomes subject to increased regulatory capital and liquidity requirements.

The Issuer is subject to capital adequacy and liquidity standards set by the Monetary Authority of Singapore ("MAS").

The MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore ("**MAS Notice 637**") incorporates the Basel III capital standards published by the Basel Committee on Banking Supervision (the "**Basel Committee**") into Singapore regulations. Domestic systemically important banks ("**D-SIBs**") are required to comply with a minimum Common Equity Tier 1 ("**CET1**") capital adequacy ratio ("**CAR**") of 6.5%, Tier 1 CAR of 8% and Total CAR of 10%. These minimum ratios are two percentage points higher than those established by the Basel Committee, and are aimed to reduce the probability of failure of D-SIBs by increasing their going-concern loss absorbency. The MAS has designated the Issuer as a D-SIB. In addition, Singapore-incorporated banks are required to maintain a capital conservation buffer of 2.5% and a countercyclical buffer of up to 2.5%, both to be met fully with CET1 capital.

The countercyclical buffer is not an ongoing requirement and is only applied as and when specified by the relevant banking supervisors. The applicable magnitude will be a weighted average of the jurisdiction-specific countercyclical buffer requirements that are required by authorities in jurisdictions to which a bank has private sector credit exposures. The Basel Committee expects jurisdictions to implement the countercyclical buffer during periods of excessive credit growth.

Including the capital conservation buffer and excluding the countercyclical buffer, a D-SIB is required to meet CET1 CAR of 9.0%, Tier 1 CAR of 10.5% and Total CAR of 12.5%.

MAS Notice 637 also imposes a minimum leverage ratio requirement of 3% for Singapore-incorporated banks at the solo and group levels.

In respect of liquidity standards, the Issuer is subject to Basel III liquidity coverage ratio ("**LCR**") standards under MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio ("**MAS Notice 649**"). The Issuer is required to maintain at all times a Singapore dollars LCR of at least 100% and an all-currency LCR of at least 50%.

The Issuer is subject to the Basel Committee's standards on Basel III net stable funding ratio ("**NSFR**") requirements under MAS Notice 652 on Net Stable Funding Ratio ("**MAS Notice 652**"). The Issuer, as a D-SIB that is incorporated in Singapore must maintain a consolidated all-currency NSFR of at least 50%

at all times. In addition, the MAS has stated that it will continue to monitor international developments on the Basel Committee's NSFR requirements and analyse relevant Singapore bank data to facilitate appropriate adjustments to the NSFR requirements should the need arise.

If the regulatory capital or liquidity requirements applied to the Issuer should increase in the future, the Issuer's return on capital and profitability could be materially and adversely affected. In addition, any failure by the Issuer to satisfy such increased regulatory capital or liquidity requirements within the applicable timeline could result in administrative actions or sanctions or significant reputational harm, which in turn may have a material adverse effect on the Issuer's business, financial condition and results of operations.

In particular, on 7 May 2019, the MAS released a consultation paper on "Proposed Implementation of the Final Basel III Reforms in Singapore", seeking feedback on proposed revisions to the risk-based capital requirements and leverage ratio requirements for Singapore-incorporated banks to align with the Basel III reforms, and to implement these revisions from 1 January 2022. Since then, the MAS has released various consultation papers relating to the proposed amendments to MAS 637 in respect of the risk-based capital requirements and disclosure requirements for Singapore-incorporated banks, and published its responses to feedback received. On 7 April 2020, the MAS announced that the implementation date of the Basel III reforms will be deferred by one year to 1 January 2023. On 19 December 2022, the MAS announced that the implementation of the Basel III reforms in Singapore will be deferred to between 1 January 2024 and 1 January 2025. On 8 June 2023, the MAS announced that most of the final Basel III reforms in Singapore will come into effect from 1 July 2024. These revisions can affect the way banks in Singapore calculate their exposures, which may in turn affect their capital requirements.

The Issuer's capital base and capital adequacy ratio may deteriorate in the future if its results of operations or financial condition deteriorate for any reason, including as a result of any deterioration in the asset quality of its loans, or if the Issuer is not able to deploy its funding into suitably low-risk assets. If the Issuer's capital adequacy ratio deteriorates, it may be required to obtain additional CET1, Additional Tier 1 or Tier 2 capital in order to remain in compliance with the applicable capital adequacy guidelines. However, the Issuer may not be able to obtain additional capital on favourable terms depending on the market conditions and circumstances prevailing at the time of the intended capital raising, or at all.

Furthermore, there can be no assurance that MAS will not amend the regulatory capital or liquidity requirements in a manner which imposes additional capital requirements on, or otherwise affects the capital adequacy requirements relating to, Singapore banks. The approach and local implementation of Basel III will depend on MAS' response which may potentially impact the Issuer in various ways depending on the composition of its qualifying capital and risk weighted assets. Although the Issuer has always maintained a strong capital position that consistently ensures an optimal capital structure to meet the requirements of various stakeholders, there can be no assurance that the Issuer will not face increased pressure on its capital in the future to comply with Basel III standards and the applicable regulatory capital or liquidity requirements which may have an adverse effect on the business, financial condition, results of operations, prospects and/or reputation of the Issuer.

The exercise by the MAS of resolution powers may be beyond the control of the Issuer.

The MAS has certain resolution powers over failed financial institutions (or financial institutions which are at risk of failure, or which have breached their regulatory obligations) and these resolution powers can be exercised by the MAS prior to insolvency of the said financial institutions. These resolution powers are currently set out in the Banking Act 1970 of Singapore (the "**Banking Act**") and the Monetary Authority of Singapore Act 1970 of Singapore ("**MAS Act**"). However, when the Financial Services and Markets Act 2022 of Singapore (the "**FSM Act**") fully comes into force, the MAS' resolution powers under the MAS Act will be moved over to the new FSM Act. The FSM Act was gazetted on 11 May 2022. Thus far, Parts 1, 2, 4, 6, 10, 11, 12 (except for Section 183) and certain other provisions in Parts 13 and 14 of the FSM Act have come into force. There is currently no indication when the FSM Act will fully come into force.

The MAS' resolution powers include among other things, the power to transfer the whole or part of the business of a financial institution, the power to order a compulsory transfer of shares of a financial institution, the power to order a compulsory restructuring of share capital of the institution, the exercise of statutory powers allowing the MAS to temporarily stay early termination rights (including set-off and netting rights) of counterparties to financial contracts (including those governed by foreign laws) entered into with a financial institution over which the MAS may exercise its resolution powers (which would include Singapore licensed banks), a statutory bail-in regime, cross-border recognition of resolution action, creditor safeguards and resolution funding. The MAS also has statutory bail-in powers to write down or convert a Singapore-incorporated bank or its Singapore-incorporated holding company's debt into equity. These powers extend to the Issuer. As specified under Division 4A of Part 4B of the MAS Act, the classes of instruments subject to the statutory bail-in powers of the MAS include equity instruments and unsecured subordinated debt issued on or after 29 November 2018. In addition, a Singapore-incorporated bank which has been issued a direction concerning recovery planning and implementation and its subsidiaries must include enforceable provisions in their financial contracts governed by foreign laws which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS' powers under sections 83 and 84 of the MAS Act (which prevent parties from exercising termination rights that arise out of the MAS' exercise of resolution powers and in the case of section 84, during the period of the temporary stay). This would apply to financial contracts governed by foreign laws which contain termination rights that are entered into by the Singapore-incorporated bank or its subsidiaries on or after 1 November 2024, or an existing contract which the Singapore-incorporated bank or its subsidiaries executes transactions under it on or after 1 November 2024.

If the MAS exercises its resolution powers in respect of the Issuer, this may have the effect of adversely affecting the Issuer's business, financial condition and results of operations.

Systemic risk resulting from failures in the banking industry could adversely affect the Issuer.

Within the banking industry, the default of any institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the Issuer interacts on a daily basis. This could have an adverse effect on the Issuer's ability to raise new funding and on the Issuer's business, financial condition and results of operations.

In particular, the Issuer is exposed to the risks of Singapore's financial systems. Any difficulties or instability of the financial system in Singapore could create an adverse market perception about financial institutions and banks in the affected region and could adversely affect its business. The Issuer's transactions with these financial institutions expose it to credit risk in the event of default by the counterparty, which can be exacerbated during periods of market illiquidity.

Increased competition could result in decreased loan margins and reduced market share.

The Issuer's primary competitors consist of other Singapore banks and major international banks licensed in Singapore.

The Singapore government has taken steps to liberalise the Singapore banking industry, which has resulted in increased competition among domestic and international banks operating in Singapore, which reduced margins for certain banking products. In particular, the MAS has been issuing qualifying full bank ("QFB") licences to international financial institutions since 1999. QFBs are currently permitted to establish operations in up to 25 locations. Certain QFBs that meet the MAS' qualifications for being "significantly rooted" may be allowed to have an additional 25 places of business in Singapore, of which 10 may be branches. In December 2020, the MAS awarded Significantly Rooted Foreign Bank privileges

to Standard Chartered Bank (Singapore) Limited. In addition, the Singapore government has allowed more international banks to obtain “wholesale banking” licences to enable them to expand their Singapore dollars wholesale banking business in Singapore and to broaden the scope of Singapore dollars banking activities in which international banks may participate.

In December 2020, the MAS also announced the successful applicants of two digital full bank (“**DFB**”) licences and two digital wholesale bank (“**DWB**”) licences. A DFB is allowed to take deposits from and provide banking services to retail and non-retail customer segments, while a DWB is allowed to take deposits from and provide banking services to SMEs and other non-retail customer segments. These new digital banks commenced operations in 2022.

Competition may increase in some or all of the Issuer’s principal markets. Such increased competition, individually or in combination, could have a material adverse effect on the Issuer’s business, financial condition and results of operations.

There can be no assurance that the Issuer will be able to compete successfully with other domestic and foreign financial institutions or that such increased competition will not have a material adverse effect on the Issuer’s business, financial condition and results of operations.

Risks Relating to the Covered Bond Guarantor

The Covered Bond Guarantor is only obliged to pay Guaranteed Amounts when the same are Due for Payment.

Subsequent to a failure by the Issuer to make a payment in respect of one or more Series of Covered Bonds, the Bond Trustee may, but is not obliged to, serve an Issuer Acceleration Notice unless and until requested or directed by the holders of at least 25 per cent. in nominal amount of such Series of Covered Bonds together with the Covered Bonds of any other Series then outstanding as if they were a single Series or if so directed by an Extraordinary Resolution of all the Covered Bondholders in accordance with Condition 9(a). Pursuant to the terms of the Trust Deed, following service of an Issuer Acceleration Notice on the Issuer, a Notice to Pay will be served forthwith by the Bond Trustee on the Covered Bond Guarantor. Following service of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor, under the terms of the Covered Bond Guarantee the Covered Bond Guarantor will be obliged to pay Guaranteed Amounts as and when the same are Due for Payment. In these circumstances, the Covered Bond Guarantor will not be obliged to pay any other amounts which become payable to the Covered Bondholders for any other reason.

Payments by the Covered Bond Guarantor will be made subject to any applicable withholding or deduction and the Covered Bond Guarantor will not be obliged to pay any additional amounts as a consequence. The attention of Covered Bondholders is drawn to the section headed “*Taxation — Singapore Taxation — Payments by the Covered Bond Guarantor under the Covered Bond Guarantee*”. Prior to service on the Covered Bond Guarantor of a CBG Acceleration Notice, the Covered Bond Guarantor will not be obliged to make any payments in respect of broken funding indemnities, penalties, premiums, default interest or interest on interest which may accrue on or in respect of the Covered Bonds. In addition, the Covered Bond Guarantor will not be obliged at any time to make any payments in respect of additional amounts which may become payable by the Issuer under Condition 7.

Subject to any grace period, if the Covered Bond Guarantor fails to make a payment when Due for Payment under the Covered Bond Guarantee or any other CBG Event of Default occurs, then the Bond Trustee may accelerate the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee by service of a CBG Acceleration Notice, whereupon the Bond Trustee will have a claim under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount of each Covered Bond, together with accrued interest and all other amounts then due under the Covered Bonds (other than additional amounts payable under Condition 7), although in such circumstances the Covered Bond Guarantor will not be

obliged to gross up in respect of any withholding which may be required in respect of any payment. Following service of a CBG Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor, the Security Trustee may enforce the Security over the Charged Property. The proceeds of enforcement and realisation of the Security shall be applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments in the Singapore Deed of Charge, and the Covered Bondholders will receive amounts from the Covered Bond Guarantor on an accelerated basis. However, the proceeds of enforcement and realisation of the Security may not be sufficient to repay the Covered Bondholders in full (see further “*Limited resources are available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee*”).

Excess Proceeds received by the Bond Trustee will be paid to the Covered Bond Guarantor and will not reduce or discharge the Covered Bond Guarantor's obligations.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may receive Excess Proceeds. The Excess Proceeds will be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and will be held by the Covered Bond Guarantor in the Transaction Account and the Excess Proceeds will thereafter form part of the Security and will be used by the Covered Bond Guarantor in the same manner as all other monies from time to time standing to the credit of the Transaction Account. Any Excess Proceeds received by the Bond Trustee and held by it or under its control will discharge, to that extent, the obligations of the Issuer in respect of the Covered Bonds, Receipts and Coupons (subject to restitution of the same if such Excess Proceeds shall be required to be repaid by the Covered Bond Guarantor). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are unconditional and irrevocable (following service on the Covered Bond Guarantor of a Notice to Pay) and the receipt by the Bond Trustee of any Excess Proceeds will not reduce or discharge any such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

Limited resources are available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee.

Subject as provided in Condition 9 and the Trust Deed, following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice on the Issuer, all amounts payable under the Covered Bonds will be accelerated by the Bond Trustee as against the Issuer following which a Notice to Pay will be served by the Bond Trustee on the Covered Bond Guarantor. The Covered Bond Guarantor's ability to meet its obligations under the Covered Bond Guarantee will depend on:

- (i) the realisable value of Selected Loans in the Portfolio;
- (ii) the amount of Revenue Receipts and Principal Receipts generated by the Portfolio and the timing thereof;
- (iii) amounts received from the Swap Providers (if applicable);
- (iv) the realisable value of Authorised Investments and Substitution Assets held by it; and
- (v) the receipt by it of credit balances and interest on credit balances on the Transaction Account and the other CBG Accounts. Recourse against the Covered Bond Guarantor under the Covered Bond Guarantee is limited to the aforementioned assets and the Covered Bond Guarantor will not have any other source of funds available to meet its obligations under the Covered Bond Guarantee.

If a CBG Event of Default occurs and the Security created by or pursuant to the Deeds of Charge is enforced, the Charged Property may not be sufficient to meet the claims of all the Secured Creditors,

including the Covered Bondholders. For example, if the COVID-19 outbreak continues to spread and economic activity in Singapore and globally continue to be adversely affected, the value of Charged Property may decrease, and the proceeds from the enforcement of the Security may not be sufficient to satisfy the claims of the Covered Bondholders. In addition, in such circumstances if the value of the Charged Property decreases materially, it may not be possible for the Issuer/Covered Bond Guarantor to maintain the value of the Asset Pool at sufficient levels to meet the Asset Coverage Test to avoid an Issuer Event of Default.

The Covered Bonds will be limited recourse obligations of the Covered Bond Guarantor. If, and to the extent that, after the Charged Property has been realised as fully as practicable and the proceeds thereof have been applied in accordance with the applicable Priority of Payments, the amounts recovered on realisation of the Charged Property are insufficient to pay or discharge amounts due from the Covered Bond Guarantor to the Secured Creditors in full for any reason, the Covered Bond Guarantor will have no liability to pay or otherwise make good any such insufficiency.

If, following enforcement of the Security constituted by or pursuant to the Deeds of Charge, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Transaction Documents, then they may still have an unsecured claim against the Issuer for the shortfall. There is no guarantee that the Issuer will have sufficient funds to pay that shortfall.

Covered Bondholders should note that the Asset Coverage Test has been structured to test whether the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of all the Covered Bonds as calculated on the relevant Calculation Date, which should reduce the risk of there ever being a shortfall (although there is no assurance of this — in particular, the sale of further Non-CPF Loans and their Related Security by the Seller to the Covered Bond Guarantor or the inclusion of further CPF Loans and their Related Security (and any related Top-up Loans) in the Assets Trust may be required to avoid or remedy a breach of the Asset Coverage Test). The Covered Bond Guarantor must ensure that following the occurrence of an Issuer Event of Default and the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a CBG Acceleration Notice on the Covered Bond Guarantor), the Amortisation Test is satisfied as of each Calculation Date and a breach of the Amortisation Test will constitute a CBG Event of Default and will entitle the Bond Trustee to serve a CBG Acceleration Notice on the Covered Bond Guarantor (see “*Summary of the Principal Documents — Establishment Deed — Amortisation Test*” and “*Credit Structure including Asset Tests — Amortisation Test*”). The Asset Coverage Test (see “*Summary of the Principal Documents — Establishment Deed — Asset Coverage Test*”) has been structured to ensure that the Asset Pool is sufficient to pay amounts due on the Covered Bonds and senior ranking expenses which will include costs relating to the maintenance, administration and winding-up of the Asset Pool whilst the Covered Bonds are outstanding. However, no assurance can be given that the Asset Pool will yield sufficient amounts for such purpose.

There is no guarantee that the proceeds of realisation of the Charged Property following the occurrence of a CBG Event of Default will be in an amount sufficient to repay all amounts due to the Secured Creditors.

If a CBG Event of Default occurs and is continuing and a CBG Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, then the Security Trustee will be entitled to enforce the Security created under and pursuant to the Deeds of Charge and the proceeds from the realisation of the Charged Property will be applied by the Security Trustee towards payment of all secured obligations in accordance with the Post-Enforcement Priority of Payments described in the section headed “*Cashflows and Priorities of Payments*”.

There is no guarantee that the proceeds of realisation of the Charged Property will be in an amount sufficient to repay all amounts due to the Secured Creditors (including the Covered Bondholders) under the Covered Bonds and the Transaction Documents. For example, if the spread of COVID-19 continues to adversely impact economic activity in Singapore, it is possible that the Singapore government would

introduce measures to grant borrowers, in particular homeowners, temporary relief from enforcement by lenders of security under housing loans and mortgages, which could materially and adversely affect the ability to enforce the Security.

If a CBG Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, then the Covered Bonds may be repaid sooner or later than expected or not at all.

The Covered Bond Guarantor will not gross up payment of Guaranteed Amounts for withholding or similar taxes.

The holders of Covered Bonds may not receive any payments from the Covered Bond Guarantor to compensate for any tax withheld by the Covered Bond Guarantor on behalf of a public taxing authority of any jurisdiction.

If withholding of, or deduction on account of, any present or future taxes, duties, assessments or charges of whatever nature is imposed by or on behalf of a public authority of any jurisdiction having power to tax, the Covered Bond Guarantor will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Covered Bondholders, as the case may be. The Covered Bond Guarantor will not be obliged to pay any additional amounts as a consequence.

The Covered Bond Guarantor is reliant on third parties for the performance of certain services.

The Covered Bond Guarantor has entered into agreements with a number of third parties, which have agreed to perform services for the Covered Bond Guarantor. In particular, but without limitation, the Servicer has been appointed to service Loans in the Portfolio sold to the Covered Bond Guarantor, the Cash Manager has been appointed to calculate and monitor compliance with the Asset Coverage Test and the Amortisation Test and to provide certain cash management services to the Covered Bond Guarantor (some of which have been delegated to the Corporate Services Provider) and the Transaction Account will be held with the Account Bank. In the event that any of those parties fails to perform its obligations under the relevant agreement to which it is a party, the realisable value of the Portfolio or any part thereof or pending such realisation (if the Portfolio or any part thereof cannot be sold) the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected. For instance, if the Servicer has failed to adequately administer the Loans, this may lead to higher incidences of non-payment or default by Borrowers. If applicable, the Covered Bond Guarantor is also reliant on the Swap Providers to provide it with the funds matching its obligations under the Intercompany Loan Agreement and the Covered Bond Guarantee, as described below.

If a Servicer Event of Default occurs pursuant to the terms of the Servicing Agreement, then the Covered Bond Guarantor and/or the Security Trustee will be entitled to terminate the appointment of the Servicer and appoint a new servicer in its place. This is notwithstanding section 440 of the Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the “IRDA”), which prevents the termination of a contract or agreement by reason only that proceedings for judicial management or a scheme of arrangement are commenced or that the company is insolvent, as the Servicing Agreement is a contract that is connected with a covered bond and thus should be an “eligible financial contract” which is excluded from the application of section 440. There can be no assurance that a substitute servicer with sufficient experience of administering mortgages of residential properties would be found who would be willing and able to service the Loans on terms substantially similar to those of the Servicing Agreement. In addition, as described below, any substitute servicer will be required to be authorised under applicable legislation and regulation. The ability of a substitute servicer to fully perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint a substitute servicer may affect the realisable value of the Portfolio or any part thereof, and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Servicer has no obligation itself to advance payments that Borrowers fail to make in a timely fashion. Covered Bondholders will have no right to consent to or approve of any actions taken by the Servicer under the Servicing Agreement.

Neither the Security Trustee nor the Bond Trustee is obliged in any circumstances to act as a servicer or to monitor the performance by the Servicer of its obligations.

Performance of Contractual Obligations.

The ability of the Issuer or the Covered Bond Guarantor to make payments in respect of the Covered Bonds may depend upon the due performance of the respective obligations of the other parties to the transaction documents, including the performance by the Bond Trustee, the Security Trustee, the Issuing and Paying Agents, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Transfer Agents, the Registrars and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer or, as applicable, the Covered Bond Guarantor, of their respective obligations to make payments in respect of the Covered Bonds, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Covered Bondholders, Receiptholders and the Couponholders.

The Covered Bond Guarantor is reliant on Swap Providers in order to hedge certain currency and/or interest rate risks connected with the Covered Bond Guarantee.

If the Covered Bond Guarantor fails to make timely payments of amounts due under any Swap Agreement, then it will have defaulted under that Swap Agreement and such Swap Agreement may be terminated. Further, a Swap Provider is only obliged to make payments to the Covered Bond Guarantor as long as and to the extent that the Covered Bond Guarantor complies with its payment obligations under the relevant Swap Agreement. If a Swap Agreement terminates or the Swap Provider is not obliged to make payments or if it defaults in its obligations to make payments of amounts in the relevant currency equal to the full amount to be paid to the Covered Bond Guarantor on the payment date under the Swap Agreements, the Covered Bond Guarantor will be exposed to changes in the relevant currency exchange rates to Singapore dollars (where relevant) and/or to any changes in the relevant rates of interest. Unless a replacement swap is entered into, the Covered Bond Guarantor may have insufficient funds to make payments under the Covered Bond Guarantee. This may affect an investor in a Series or Tranche of Covered Bonds even if the non-paying Swap Provider relates to a different Series or Tranche of Covered Bonds, since the failure to pay on the affected Series or Tranche of Covered Bonds may affect all of the Covered Bonds under the Programme.

If a Swap Agreement terminates, then the Covered Bond Guarantor may be obliged to make a termination payment to the relevant Swap Provider. There can be no assurance that the Covered Bond Guarantor will have sufficient funds available to make a termination payment under the relevant Swap Agreement, nor can there be any assurance that the Covered Bond Guarantor will be able to find a replacement swap counterparty which has sufficiently high ratings as may be expected by any of the Rating Agencies and which agrees to enter into a replacement swap agreement.

If the Covered Bond Guarantor is obliged to pay a termination payment under any Interest Rate Swap Agreement, such termination payment will rank ahead of amounts due on the Covered Bonds in respect of the Interest Rate Swap (if any) and if the Covered Bond Guarantor is obliged to pay a termination payment under any Covered Bond Swap Agreement, such termination payment will rank *pari passu* with amounts due on the Covered Bonds in respect of the Covered Bond Swaps, except where default by, or downgrade of, the relevant Swap Provider has caused the relevant Swaps to terminate. The obligation to pay a termination payment may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

There can be no assurance that any Interest Rate Swap and/or any Covered Bond Swaps will hedge all currency and/or interest rate risks associated with a Series or Tranche of Covered Bonds.

There is uncertainty as to the validity and/or enforceability of subordination provisions in insolvency proceedings.

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, several cases have focused on provisions involving the subordination of a swap counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty. Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of Excluded Swap Termination Amounts.

The UK Supreme Court has held that such a subordination provision is valid under English law. It is likely that a Singapore court would also consider such a subordination provision to be valid under Singapore law. Contrary to this, however, a U.S. Bankruptcy Court has held in two separate cases that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay that applies under such law in the case of a U.S. bankruptcy of the counterparty. However, a subsequent 2016 U.S. Bankruptcy Court decision held that in certain circumstances flip clauses are protected under the U.S. Bankruptcy Code and therefore enforceable in bankruptcy. The 2016 decision was affirmed on 14 March 2018 by the U.S. District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the U.S. Court of Appeals for the Second Circuit. The implications of this conflicting judgment remain unresolved.

If a creditor of the Covered Bond Guarantor (such as the Swap Providers) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales or Singapore (including, but not limited to, the U.S.), and it is owed a payment by the Covered Bond Guarantor, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the Priorities of Payments which refers to the ranking of the Swap Providers' payment rights in respect of Excluded Swap Termination Amounts). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to a range of entities which may act as Swap Providers, including U.S. established entities and certain non-U.S. established entities with assets or operations in the U.S. (although the scope of any such proceedings may be limited if the relevant non-U.S. entity is a bank with a licensed branch in a U.S. state). In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales or Singapore and any relevant foreign judgment or order was recognised by the English courts or Singapore courts, there can be no assurance that such actions would not adversely affect the rights of the Covered Bondholders, the market value of the Covered Bonds and/or the ability of the Covered Bond Guarantor to satisfy its obligations under the Covered Bonds.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Excluded Swap Termination Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts or Singapore courts) may result in negative rating pressure in respect of the Covered Bonds. If any rating assigned to the Covered Bonds is lowered, the market value of the Covered Bonds may reduce.

Differences in timings of obligations of the Covered Bond Guarantor and the Covered Bond Swap Provider under the Covered Bond Swaps may affect the Covered Bond Guarantor's ability to make payments under the Covered Bond Guarantee.

The Covered Bond Guarantor will, following service of a Notice to Pay on the Covered Bond Guarantor (when each relevant Covered Bond Swap becomes effective), pay or provide for payment of an amount to the Covered Bond Swap Provider on a monthly or quarterly basis (or another basis specified therein) based on the relevant Singapore dollar rate. The Covered Bond Swap Provider may not be obliged to make corresponding swap payments to the Covered Bond Guarantor under a Covered Bond Swap until amounts are Due for Payment under the Covered Bond Guarantee (for example, being on an annual basis if the relevant Series of Covered Bonds provide for payment of an annual interest coupon). If the Covered Bond Swap Provider does not meet its payment obligations to the Covered Bond Guarantor under the Covered Bond Swap Agreement or the Covered Bond Swap Provider does not make a termination payment that has become due from it to the Covered Bond Guarantor under the Covered Bond Swap Agreement, the Covered Bond Guarantor may have a larger shortfall in funds with which to make payments under the Covered Bond Guarantee with respect to the Covered Bonds than if the Covered Bond Swap Provider's payment obligations coincided with the Covered Bond Guarantor's payment obligations under the Covered Bond Swaps. Hence, the difference in timing between the obligations of the Covered Bond Guarantor and the obligations of the Covered Bond Swap Provider under the Covered Bond Swaps may affect the Covered Bond Guarantor's ability to make payments, following service of a Notice to Pay on the Covered Bond Guarantor, under the Covered Bond Guarantee with respect to the Covered Bonds. The Covered Bond Swap Provider may be required, pursuant to the terms of the Covered Bond Swap Agreement, to post collateral with the Covered Bond Guarantor if the Covered Bond Guarantor's net exposure to the Covered Bond Swap Provider under the Covered Bond Swap Agreement exceeds a certain threshold level.

Counterparties to the Transaction Documents may be required to transfer their rights if they cease to satisfy applicable criteria.

The parties to the Transaction Documents who receive and hold monies pursuant to the terms of such documents (such as the Account Bank) are required to satisfy certain criteria in order that they can continue to receive and hold monies.

These criteria include requirements in relation to the ratings in respect of short-term and long-term unsecured and unsubordinated debt obligations ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Covered Bond Guarantor) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the Transaction Documents.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Covered Bondholders may not be required in relation to such amendments and/or waivers.

Changes may occur to the current law and/or regulations with respect to covered bonds and/or the Singapore mortgage market.

No assurance can be given that changes to regulations, laws or guidance, or additional regulations, laws or guidance from regulatory authorities in Singapore will not arise with regard to the mortgage market in Singapore generally, the Seller's particular sector in that market, specifically in relation to the Seller itself, or in relation to the issuance of covered bonds. Any such action, developments or associated compliance costs may have a material adverse effect on the Loans, their Related Security, the Seller, the Covered

Bond Guarantor, the Issuer, the Assets Trustee and/or the Servicer and their respective businesses and operations. This may adversely affect the ability of the Covered Bond Guarantor to dispose of the Portfolio or any part thereof in a timely manner and/or the realisable value of the Portfolio or any part thereof and accordingly affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee when due.

The constitution of the Portfolio is expected to frequently change.

The Covered Bondholders will not receive detailed statistics or information in relation to the Loans in the Portfolio because it is expected that the constitution of the Portfolio will frequently change due to, for instance:

- (i) the Seller selling Loans and their Related Security (or New Loan Types and their Related Security) to the Covered Bond Guarantor;
- (ii) (in respect of Non-CPF Loans and their Related Security) the Seller repurchasing Non-CPF Loans and their Related Security in accordance with the Mortgage Sale Agreement and the Covered Bond Guarantor's equitable rights, estate, title, interests, benefits and remedies in the relevant Loans and their Related Security being reassigned, released and surrendered and (in respect of CPF Loans and their Related Security) the Assets Trustee accepting surrender of the Trust Assets relating to the CPF Loans and their Related Security (and any related Top-up Loans) by the CBG Beneficiary;
- (iii) payments by the Borrowers or the Mortgagors, as the case may be, on the Loans; and
- (iv) the Seller repurchasing Loans and their Related Security in accordance with the Mortgage Sale Agreement and the Declaration of Assets Trust (and the Assets Trustee making a corresponding Distribution in accordance with the terms of the Declaration of Assets Trust).

There is no assurance that the characteristics of the New Loans assigned to the Covered Bond Guarantor by the Seller or held on trust by the Assets Trustee (in favour of the CBG Beneficiary) on a Closing Date will be the same as those of the Loans in the Portfolio as at that Closing Date, save that the New Loans will be secured by a first ranking mortgage over a residential property situated in Singapore (subject to any charge registered or notified by the Central Provident Fund Board constituted under Section 3 of the CPF Act (the “**CPF Board**”) in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board and certain statutory charges). However, although each Loan will be required to meet the Eligibility Criteria and the Representations and Warranties set out in the Mortgage Sale Agreement (see “*Summary of the Principal Documents — Mortgage Sale Agreement — Conditions to Sale of Non-CPF Loans and their Related Security or declaration of trust in respect of CPF Loans and their Related Security and Eligibility Criteria*” and “*Summary of the Principal Documents — Mortgage Sale Agreement — Representations and Warranties*”), the Eligibility Criteria and Representations and Warranties may change in certain circumstances (see “*The Bond Trustee and the Security Trustee may agree to modifications to the Transaction Documents without, respectively, the Covered Bondholders' or Secured Creditors' prior consent*”). If New Loan Types are to be sold to the Covered Bond Guarantor, then the Representations and Warranties in the Mortgage Sale Agreement will be waived or modified as required to accommodate these New Loan Types *provided that* certain conditions have been met, including that a Rating Agency Confirmation has been received in respect of any such modification and the Cash Manager has certified that such waiver or amendment will not have a material adverse effect on the interests of the Covered Bond Guarantor or the Security Trustee in the New Loans and their Related Security, or on the ability of the Covered Bond Guarantor (or the Servicer on the Covered Bond Guarantor's behalf) to collect the amounts due under the New Loans and their Related Security or on the ability of the Security Trustee to enforce the Security (as described in “*Summary of the Principal Documents — Mortgage Sale Agreement — Representations and Warranties*”).

Fixed security interests may take effect under Singapore law as floating charges.

Pursuant to the terms of the Singapore Deed of Charge, each of the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary has purported to grant fixed charges over, amongst other things, its interests in the Loans and their Related Security, its rights and benefits in the CBG Accounts and all Authorised Investments and Substitution Assets purchased from time to time.

The fixed charges purported to be granted by the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary may instead take effect under Singapore law as floating charges, if, for example, it is determined that the Security Trustee does not exert sufficient control over the Charged Property for the security to be said to constitute fixed security interest. If the fixed charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets. In particular, the remuneration, debts, liabilities and expenses of or incurred by any judicial manager (though note the discussion on judicial management below) or liquidator in connection with winding up and the claims of certain preferential creditors would rank ahead of the claims of the Security Trustee in this regard. Certain employee claims (in respect of wages/salary and retrenchment benefits/ex gratia payments, employer contributions to certain superannuation or provident funds and remuneration in respect of vacation leave, as may be prescribed by the Minister by order published in the Gazette) and workers' compensation due in respect of injury compensation under the Work Injury Compensation Act 2019 of Singapore also have preferential status. In this regard, it should be noted that the Covered Bond Guarantor has agreed in the Transaction Documents not to have any employees. Further, pursuant to section 91(8)(d) of the IRDA, read with the Insolvency, Restructuring and Dissolution (Prescribed Companies and Entities) Order 2020 (the "**Prescribed Companies Order**"), a judicial management order shall not be made in relation to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle), though under section 91(10) the Court may do so if it considers that the public interest so requires. Under section 94(13) of the IRDA, an interim judicial manager or a judicial manager must not be appointed to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle) in a voluntary judicial management procedure either. Outside winding up or judicial management, creditors who would have priority in the case of winding up over the claims of a floating charge would continue to have such priority preserved if a receiver (which would include a receiver and manager) were appointed over the assets that are subject to the floating charge.

Certain claims rank ahead of a fixed charge.

Under Singapore law, certain claims rank ahead of a fixed charge. Such claims include:

- (i) any statutory charge in favour of the tax authority in respect of unpaid property tax;
- (ii) any charge in favour of the relevant management corporation of the estate comprising the residential property in respect of unpaid amounts or contributions;
- (iii) any statutory charge in favour of the tax authority in respect of unpaid estate duty (where applicable); and
- (iv) any charge in favour of workmen whose salary does not exceed SGD 4,500 a month and employees (other than workmen) who are in receipt of a salary not exceeding SGD 2,600 a month arising by virtue of Section 33 of the Employment Act 1968 of Singapore.

In this regard, if any of the abovementioned charges take effect, they will rank ahead of the fixed charges granted under the Singapore Deed of Charge. Further, if the Covered Bond Guarantor or MSL (as Seller or Assets Trustee) enters into judicial management or a creditors' scheme of arrangement, subject to certain safeguards, security of higher or equal priority may be granted in favour of a rescue financier (sections 67 and 101 of the IRDA respectively). However, in relation to judicial management, pursuant to section 91(8)(d) of the IRDA, a judicial management order shall not be made in relation to a bank or a

covered bond special purpose vehicle or securitisation special purpose vehicle (i.e. the Covered Bond Guarantor) (when read with the Prescribed Companies Order). Under section 94(13) the IRDA, an interim judicial manager or a judicial manager must not be appointed to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle) in a voluntary judicial management procedure either. Note however that in a Court proceeding for judicial management the Court may nevertheless grant a judicial management order in relation to MSL (i.e. as the Seller or Assets Trustee) or the Covered Bond Guarantor if it considers that the public interest so requires. If so, section 101 of the IRDA may apply. In relation to a creditors' scheme of arrangement, section 63(3) of the IRDA read with the Prescribed Companies Order provides that part 5 of the IRDA shall not apply to MSL (i.e. as the Seller or the Assets Trustee) or the Covered Bond Guarantor.

Certain rights of the Mortgagee rank after those of the CPF Board.

If CPF Funds were withdrawn by the Mortgagor in connection with a Property, the proceeds from any sale (or compulsory acquisition) of such Property will, under the present regime, have to be applied towards repayment of the Mortgagee (being MSL or, as the case may be, the Covered Bond Guarantor) and the CPF Board in the order of priority more particularly described in the section "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market — CPF Board*". The Mortgagee's right to repayment in respect of principal and any interest accruing on a CPF Loan up to the date of default under that CPF Loan will rank ahead of the right of the CPF Board to recover such CPF Funds withdrawn from the Mortgagor's Central Provident Fund ("CPF") account(s). However, any interest accrued on that CPF Loan on and from the date of default by the Mortgagor and certain non-sale related costs (including, but not limited to, costs incurred in the payment of insurance premiums in the event that the Mortgagor fails to pay) and expenses which the Mortgagee is entitled to receive under the Mortgage will only be paid to the Mortgagee after the refund of the withdrawn CPF Funds is made to the Mortgagor's CPF account(s).

The CPF Board and other creditors/third parties may have a statutory preference in priority to the Mortgage.

A Mortgagor may, *inter alia*, finance or refinance the purchase of a Property or repay his housing loan taken up for the purchase of such Property using the funds in his CPF account(s). When such funds are withdrawn, a charge in favour of the CPF Board to secure the repayment by the Mortgagor of such withdrawn funds (together with interest that would have accrued if the withdrawal had not been made) will be registered against the title of the Property, ranking in priority to any Mortgage. Under the Central Provident Fund Act 1953 of Singapore (the "**CPF Act**"), upon registration of the charge, the CPF Board has the power of sale and all other powers relating or incidental thereto as if it is a registered mortgagee. Notwithstanding CPF Board's prior ranking charge, the proceeds from the realisation of the Property will be applied in accordance with the priority of payments (see "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market — CPF Board*").

Further, charges on land under any written law or regulations may have priority over a Mortgage, including charges in favour of the statutory authorities in respect of any money owing to such statutory authorities, and charges in favour of the management corporation (where the Property is a strata sub-divided unit) (see "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market — Other Statutory Charges, Property Tax and Estate Duty*").

For example, where there are arrears in the payment of property tax, the tax authority has the power to recover such arrears in full by selling the Property in respect of which arrears are due. The proceeds of sale may be applied by the tax authority towards the payment of such arrears, the interest thereon at such rate as the tax authority may prescribe and all costs and expenses incurred in the recovery of such arrears, before paying to any other person who has a right to such proceeds. In the case where there are arrears in the payment of estate duty, proceedings may be instituted for recovery of such estate duty by, *inter alia*, the sale of such Property.

Similarly, for a Property which is a strata sub-divided unit within a development where the owner is obliged to contribute towards the maintenance and sinking funds of the development, the management corporation has the power to sue the owner or a mortgagee in possession for any arrears in contributions and may lodge an instrument of charge against the Property. Upon registration of such instrument of charge, the charge will secure *inter alia* all the outstanding amounts owing to the management corporation (including interest thereon) and all legal costs and expenses incurred by the management corporation in connection with its collection of such unpaid amount, and the management corporation has the power of sale and all other powers over the relevant property as if it is a registered mortgagee. Notwithstanding that the charge in favour of the management corporation may be registered subsequent to a Mortgage, under the Building Maintenance and Strata Management Act 2004 of Singapore such charge cannot be over-reached by the prior registered mortgagee's exercise of its power of sale under the Mortgage and the charge will continue to be in force until all amounts secured by the charge have been paid.

If the value of the Portfolio has not been maintained in accordance with the terms of the Asset Coverage Test and, if applicable, the Amortisation Test, then that may affect the realisable value of the Portfolio.

The Asset Coverage Test is met if the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on the relevant Calculation Date. If a breach of the Asset Coverage Test occurs as of the relevant Calculation Date immediately preceding the relevant Test Date (as tested on the relevant Test Date) and is not cured as of the following Calculation Date, the Bond Trustee will serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor which (unless and until it is revoked) may result, *inter alia*, in the sale of Selected Loans (see “*Summary of the Principal Documents — Establishment Deed — Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*”). If an Asset Coverage Test Breach Notice has been served and is not revoked on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice on the Covered Bond Guarantor, then an Issuer Event of Default shall occur and the Bond Trustee shall be entitled (and, in certain circumstances, may be required) to serve an Issuer Acceleration Notice on the Issuer. Following service of an Issuer Acceleration Notice, the Bond Trustee must forthwith serve a Notice to Pay on the Covered Bond Guarantor.

Pursuant to the Establishment Deed, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a CBG Acceleration Notice on the Covered Bond Guarantor), the Amortisation Test will be satisfied if the Amortisation Test Aggregate Loan Amount is in an amount at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as of each Calculation Date. The Amortisation Test is intended to test whether the assets of the Covered Bond Guarantor fall below a certain threshold, and therefore whether the assets of the Covered Bond Guarantor are sufficient to meet its obligations under the Covered Bond Guarantee and senior expenses that rank in priority to or *pari passu* with amounts due on the Covered Bonds.

If the value of the Portfolio has not been maintained in accordance with the terms of the Asset Coverage Test and, if applicable, the Amortisation Test, then that may affect the realisable value of the Portfolio or any part thereof (both before and after the occurrence of a CBG Event of Default) and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. For a further discussion of factors which may impact the ability of the Covered Bond Guarantor to make such payments (including as a consequence of the COVID-19 outbreak) see further “--- *Limited resources are available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee.*” and “--- *There is no guarantee that the proceeds of realisation of the Charged Property following the occurrence of a CBG Event of Default will be in an amount sufficient to repay all amounts due to the Secured Creditors.*”.

Prior to service of a Notice to Pay or a CBG Acceleration Notice on the Covered Bond Guarantor, the Asset Monitor will, subject to receipt of the relevant information from the Cash Manager, test the arithmetic accuracy of the calculations performed by the Cash Manager in respect of the Asset Coverage Test.

Following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a CBG Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Asset Monitor will be required to test the arithmetic accuracy of the calculations performed by the Cash Manager in respect of the Amortisation Test. In addition, the Asset Monitor will be required to assess compliance by the Issuer with certain statutory obligations under MAS Notice 648. See “*Summary of the Principal Documents — Asset Monitor Agreement*”.

Neither the Bond Trustee, the Security Trustee nor the Covered Bond Guarantor shall be responsible for monitoring compliance with the Asset Coverage Test, the Amortisation Test or any other test (including, for completeness, the Pre-Maturity Test), or for supervising the performance by any other party of its obligations under any Transaction Document.

There is no guarantee that sufficient cash would be generated on a sale of Selected Loans by the Covered Bond Guarantor following service of an Asset Coverage Test Breach Notice or a Notice to Pay.

If an Asset Coverage Test Breach Notice or a Notice to Pay is served on the Covered Bond Guarantor (and, in the case of an Asset Coverage Test Breach Notice, for as long as such notice has not been revoked), the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may offer to sell Selected Loans in order to remedy a breach of the Asset Coverage Test or to make payments to the Covered Bond Guarantor’s creditors, including payments under the Covered Bond Guarantee, as appropriate, subject to (in respect of Selected Loans which are CPF Loans and their Related Security) the Requisite CPF Loan Legal Title Transfer Approvals being obtained. See the sections headed “*Summary of the Principal Documents — Establishment Deed — Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*”, “*Summary of the Principal Documents — Establishment Deed — Sale of Selected Loans following service of a Notice to Pay*” and “*Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans*”.

There is no guarantee that:

- (i) (in respect of a Selected Loan which is a CPF Loan) the Requisite CPF Loan Legal Title Transfer Approval (if required) may be obtained (see the risk factor headed “The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement”); or
- (ii) (in respect of any Selected Loan) a buyer will be found to acquire Selected Loans at the times required and there can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain,

which may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

In the event that the CBG Beneficiary and the Assets Trustee fail to obtain any one of the Requisite CPF Loan Legal Title Transfer Approvals, the Declaration of Assets Trust sets out certain provisions enabling the CBG Beneficiary to sell its beneficial interest in all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a third party purchaser. There can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain, which may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

Similarly, if a Notice to Pay has been served, the Selected Loans may not be sold by the Covered Bond Guarantor for less than an amount equal to the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds until six months prior to the Maturity Date in respect of such Covered Bonds or (if the same is specified as applicable in the applicable Pricing Supplement) the Extended Due for Payment

Date in respect of such Covered Bonds. In the six months prior to, as applicable, the Maturity Date or Extended Due for Payment Date, the Covered Bond Guarantor may sell the Selected Loans for the best price reasonably available, notwithstanding that such price may be less than the Adjusted Required Redemption Amount. In this respect investors should note that there is not, at present, an active and liquid secondary market for secured residential mortgage loans in Singapore (or beneficial interests in respect thereof), which may impact the price at which the Covered Bond Guarantor is able to sell the Selected Loans.

There is no guarantee that sufficient cash would be generated on a sale of Selected Loans by the Covered Bond Guarantor prior to maturity of Hard Bullet Covered Bonds where there is a breach of the Pre-Maturity Test.

If there is a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds prior to service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may (unless the Intercompany Loan Provider makes sufficient Advances under the Intercompany Loan Agreement or the Subordinated Loan Provider chooses to make sufficient Subordinated Advances under the Subordinated Loan Agreement or there are sufficient Available Principal Receipts) offer to sell Selected Loans to seek to generate sufficient cash to enable the Covered Bond Guarantor to pay the Final Redemption Amount on any Series of Hard Bullet Covered Bonds, should the Issuer fail to pay such amounts. See “*Summary of the Principal Documents — Establishment Deed — Sale of Selected Loans following a breach of the Pre-Maturity Test*”.

There is no guarantee that a buyer will be found to acquire Selected Loans at the times required and there can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain, which may affect payments under the Covered Bond Guarantee.

The transferee of legal title to the Loans and their Related Security may need to be licensed under the Moneylenders Act of Singapore and there is no guarantee that such transferee will be available at a time when legal title needs to be passed.

In the event legal title to any of the Loans and their Related Security are to be transferred to the Replacement Assets Trustee, a Purchaser or a Relevant Purchaser, the transferee which becomes the lender of record may need to satisfy the relevant licensing requirements under the Moneylenders Act or be exempted from such licensing requirements. The ability of the Seller or, as the case may be, the Assets Trustee to transfer the legal title to the Loans and their Related Security is dependent on various factors, including whether the transferee satisfies such licensing requirements or is exempted therefrom, and there is no guarantee that such suitable transferee would be readily available at the time legal title to the Loans and their Related Security needs to be transferred, and this may adversely affect the interests of the Covered Bondholders.

The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement.

In the event a Replacement Assets Trustee is to be appointed in respect of CPF Loans and their Related Security (and any related Top-up Loans) following the occurrence of a Replacement Assets Trustee Event or in the event of a sale of Selected Loans (which are CPF Loans) to a Purchaser, a transfer of legal title in respect of such CPF Loans and their Related Security (and any related Top-up Loans) to such Replacement Assets Trustee or a Purchaser requires the Requisite CPF Loan Legal Title Transfer Approvals (as defined in section “*Summary of the Principal Documents — Declarations of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*”) (unless the consent

of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required in order for the transferee of such Mortgages to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of the relevant Property). Prior to the Requisite CPF Loan Legal Title Transfer Approvals being obtained and unless the consent of the CPF Board to the transfer of Mortgages relating to CPF Loans is not required, the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals necessary to effect such transfer, which are (in summary):

- (i) where the proposed transferee is an entity licensed to carry on banking business in Singapore, obtaining a Section 55B/C Court Order approving the transfer of that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans (without any requirement to obtain prior consent from the CPF Board prior to implementing such court-sanctioned Section 55B/C Transfer);
- (ii) (whether or not the proposed transferee is an entity licensed to carry on banking business in Singapore) the prior consent from the CPF Board to effect such transfer of the Mortgages relating to such CPF Loans; and
- (iii) where the proposed transferee is not an entity licensed to carry on banking business in Singapore;
 - (a) a Sections 210/212 Court Order approving a Sections 210/212 Scheme; and
 - (b) the prior consent from the CPF Board to such transfer of the Mortgages relating to such CPF Loans,

Section 55B/C Court Order, Section 55B/C Transfer, Sections 210/212 Court Order are each defined and more particularly described in the section "*Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*".

Whilst the CBG Beneficiary and the Assets Trustee are under an obligation to use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals necessary to effect such transfer until any one of the Requisite CPF Loan Legal Title Transfer Approvals is obtained, there is no guarantee that any such approval would be obtained and the timeframe within which any such approval will be received is also not certain.

Sale of beneficial interest

In the event that the CBG Beneficiary and the Assets Trustee fail to obtain any one of the Requisite CPF Loan Legal Title Transfer Approvals in respect of a proposed transfer of the legal title to all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a Relevant Purchaser, the Declaration of Assets Trust sets out certain provisions for the CBG Beneficiary to assign absolutely its beneficial interest in all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a third party purchaser. Each such assignee shall have all rights and remedies in relation to such selected CPF Loan(s) and its Related Security (and any related Top-up Loans) under the Assets Trust which are beneficially owned by it (including, but not limited to, the right to sell its beneficial interest to such other party as it may select).

The Assets Trustee or, as the case may be, the Replacement Assets Trustee, shall at all times segregate and keep separately identifiable the CPF Loans and their Related Security (and any related Top-up Loans) held by the CBG Beneficiary and any such assignees to the extent of each of their respective beneficial interests in the CPF Loan(s) and Related Security (and any related Top-up Loans) under the Assets Trust.

Section 55B/C Transfer

A Section 55B/C Transfer procedure may be undertaken by Maybank Singapore Limited itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of Maybank Singapore Limited as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-

insolvency situation of Maybank Singapore Limited) after the occurrence of any Replacement Assets Trustee Event (see “*Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*”).

Third parties who may have an interest in the Trust Assets (including the CPF Loans and their Related Security (and any related Top-up Loans)) such as the MAS, the CPF Board, the relevant Borrowers and/or the relevant Mortgagors of the CPF Loans, may be entitled to file objections and supporting evidence thereof in advance of the relevant Section 55B/C Transfer decision hearing by the General Division of the High Court of Singapore.

Sections 55B and 55C of the Banking Act have previously been used to effect a transfer of businesses between banks (see “*Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee — Section 55B of the Banking Act*”), although there is no precedent for the use of a Section 55B/C Transfer in relation to covered bonds. Nonetheless, it would be possible to obviate the requirement to seek the prior consent of the CPF Board to such transfer by the General Division of the High Court of Singapore granting an order to that effect pursuant to Sections 55B and 55C of the Banking Act for a transfer to the Replacement Assets Trustee or a Purchaser of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) under the Assets Trust. Such powers of the General Division of the High Court of Singapore in relation to Sections 55B and 55C of the Banking Act are broad enough to (a) enable the General Division of the High Court of Singapore (if it is prepared to) to grant an order which would entitle the Replacement Assets Trustee to the same rights and priorities as the Assets Trustee would have been entitled to in relation to the CPF Loans and their Related Security (and any related Top-up Loans) if the transfer had not taken place, and (b) enable a transfer to be made in the absence of the consent of the CPF Board.

While a Section 55B/C Transfer provides a credible solution to obviate the need to obtain the consent of the CPF Board for the transfer of the Mortgages related to the CPF Loans, the following should, however, be noted:

- (i) although Sections 55B and 55C of the Banking Act have previously been used in Singapore to effect a transfer of businesses between banks, there is no precedent for the use of a Section 55B/C Transfer in relation to covered bonds;
- (ii) there is no guarantee that the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required will be given; and
- (iii) there is no guarantee that the requisite court order will be granted.

Consent of the CPF Board

The prior consent of the CPF Board may be sought for the transfer of the Mortgages related to the CPF Loans to a proposed transferee of a CPF Loan (whether or not such transferee is an entity licensed to carry on a banking business in Singapore). In deciding whether to consent to such a transfer, the CPF Board may consider the following factors. First, there are statutory provisions that facilitate the transfer from the Assets Trustee to the Replacement Assets Trustee of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) under the Assets Trust. Section 41 of the Trustees Act 1967 of Singapore (the “**Trustees Act**”) provides, generally, for vesting of trust property in new or continuing trustees appointed by deed. Section 41 of the Trustees Act, however, does not obviate the need for the CPF Board’s consent. Second, where the Replacement Assets Trustee or the Purchaser is a financial institution, the CPF Board may consider that the Replacement Assets Trustee or such Purchaser has the ability to manage the CPF Loans and their Related Security (and any related Top-up Loans), which may be preferable to the management of the CPF Loans and their Related Security (and any related Top-up Loans) by the Seller which is in a distressed situation (such as following an Insolvency Event). There is, however, no guarantee that the CPF Board will approve such transfer.

Sections 210/212 Scheme

The proposed transferee (that is a Singapore-incorporated company) under a Sections 210/212 Scheme does not need to be an entity licensed to carry on a banking business in Singapore (though it may need to satisfy the relevant licensing requirements under the Moneylenders Act or be exempt from such licensing requirements (see the risk factor headed “ — *The transferee of legal title to the Loans and their Related Security may need to be licensed under the Moneylenders Act of Singapore and there is no guarantee that such transferee will be available at a time when legal title needs to be passed*”)). A Sections 210/212 Scheme may not obviate the contractual requirement to obtain the CPF Board’s consent to the transfer of Mortgages related to any CPF Loans held under the Assets Trust, and hence (following the procurement of the requisite court and other approvals to the Sections 210/212 Scheme) consent from the CPF Board to its implementation will also need to be obtained. A Sections 210/212 Scheme procedure may be undertaken by Maybank Singapore Limited itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of Maybank Singapore Limited as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of MSL) after the occurrence of any Replacement Assets Trustee Event (see “*Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*”).

Whether an order will be made approving the Sections 210/212 Scheme will depend on the circumstances of the case and there is no guarantee that such an order will be made. In broad terms, the requirements for a Sections 210/212 Scheme are:

- (i) obtaining the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required;
- (ii) obtaining a court order (by a summary application) to summon a meeting of the Covered Bondholders;
- (iii) obtaining the approval of a requisite majority of Covered Bondholders voting (a majority in number representing three-fourths (75%) in value of the outstanding nominal amount of all Covered Bonds) voting at the meeting either in person or by proxy, provided, however, that this requirement for a majority in number may be obviated if the court so orders; and
- (iv) based on the Covered Bondholder approval above, obtaining a Sections 210/212 Court Order. In considering whether to approve the scheme, the court is likely to consider, *inter alia*, (a) whether the scheme is fair and reasonable to the Covered Bondholders as a whole, (b) whether the applicant (MSL or the CBG Beneficiary acting under the Assets Trustee Power of Attorney) and the majority Covered Bondholders who granted their approval to the scheme are acting *bona fide*, and (c) whether the minority of Covered Bondholders are being coerced to promote the interest of the majority Covered Bondholders who granted their approval to the scheme.

There is no guarantee that (a) the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required will be given, (b) the relevant voting thresholds will be met, (c) the General Division of the High Court of Singapore will approve such Sections 210/212 Scheme and (d) the consent of the CPF Board will be forthcoming. Although Sections 210 (and 212) of the Companies Act have previously been used to effect a transfer of businesses (see “*Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee — Sections 210 (and 212) of the Companies Act*”), there is no precedent for the use of a Sections 210/212 Scheme in relation to covered bonds.

If the Requisite CPF Loan Legal Title Transfer Approvals cannot be obtained, it may not be possible to liquidate or realise the CPF Loans and their Related Security (and any related Top-up Loans) to enable the CBG Beneficiary to meet its maturing obligations under the Covered Bond Guarantee. In such circumstances, the Covered Bond Guarantor (i) will rely on receiving interest, principal and other receipts

under such CPF Loans and then apply these under the Covered Bond Guarantee which may result in a delay in making scheduled payments and repayments to the Covered Bondholders and (ii) could seek to carry out a sale of its beneficial interest in all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a third party purchaser (see “*Risk Factors — Risks Relating to the Covered Bond Guarantor — The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans to a purchaser will require the prior consent of the CPF Board or an order of the court to implement — Sale of beneficial interest*”). A delay in obtaining one of the Requisite CPF Loan Legal Title Transfer Approvals could result in a deterioration of the realisable value of the Portfolio.

Certain factors may affect the realisable value of the Portfolio or any part thereof or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Asset Coverage Test, the Amortisation Test and the Eligibility Criteria are intended to ensure that there will be an adequate amount of Loans in the Portfolio and monies standing to the credit of the Transaction Account to enable the Covered Bond Guarantor to repay the Covered Bonds following an Issuer Event of Default, service of an Issuer Acceleration Notice on the Issuer and service of a Notice to Pay on the Covered Bond Guarantor. However, whilst it is expected that Selected Loans could be realised for sufficient value to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee, there is no assurance that this will be the case and it should be noted that the realisable value of Selected Loans comprised in the Portfolio may be reduced at any time due to various factors, including:

- (i) representations or warranties not being given by the Covered Bond Guarantor or (unless otherwise agreed with the Seller) the Seller;
- (ii) default by Borrowers and/or Mortgagors of amounts due on their Loans;
- (iii) changes to the Lending Criteria or Seller’s Policy;
- (iv) the Seller not having legal title to the Loans and their Related Security in the Portfolio prior to any transfer of title to the Loans and their Related Security to the Covered Bond Guarantor;
- (v) the state of the Singapore economy and/or residential property market (which may impact potential buyers);
- (vi) risks in relation to some types of Loans which may adversely affect the value of the Portfolio or any part thereof;
- (vii) (in respect of a Property subject to compulsory acquisition by the State (see “*Regulation/Legal Aspects of the Singapore Residential Mortgage Market — Land Acquisition Act*”)) any proceeds awarded for the compulsory acquisition of a relevant Property being insufficient to discharge the relevant Loan;
- (viii) limited recourse to the Seller;
- (ix) the presence of other secured liabilities relating to the All Monies Trust;
- (x) possible regulatory changes by the MAS and other regulatory authorities; and
- (xi) regulations or other issues in Singapore that could lead to some terms of the Loans being unenforceable, such as the Banking Act, the Banking Regulations of Singapore (the “**Banking Regulations**”), and notices and directives issued under the Banking Act by the MAS.

Any of these factors could be caused or exacerbated by other factors including, for example, those factors described further in “— *Terrorist activities, natural calamities and outbreak of communicable diseases around the world could lead to higher volatility in international capital markets, which may materially and adversely affect the Bank’s business, financial condition and results of operations*”. If there is deterioration

in the realisable value of the Portfolio so that Selected Loans cannot be realised for sufficient values to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee, the holders of the Covered Bonds may be adversely affected.

No representations or warranties will be given by the Covered Bond Guarantor or the Seller on a sale of Selected Loans.

Following the service of an Asset Coverage Test Breach Notice (which has not been revoked) or the service of a Notice to Pay on the Covered Bond Guarantor (but in each case prior to the service of a CBG Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or realisation of the Security), the Covered Bond Guarantor will be obliged to sell Selected Loans to third party purchasers, subject to a right of pre-emption in favour of the Seller pursuant to the terms of the Mortgage Sale Agreement and/or the Declaration of Assets Trust (see “*Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans*”). In respect of any sale of Selected Loans to third parties, however, the Covered Bond Guarantor will not give warranties or indemnities in respect of those Selected Loans. The Security Trustee will not be required to release the Selected Loans from the Security unless the conditions relating to release of the Security as set out in the Deeds of Charge are satisfied. There is no assurance that the Seller would give any warranties or representations in respect of the Selected Loans. Any Representations or Warranties previously given by the Seller in respect of the Loans in the Portfolio may not have value for a third-party purchaser if the Seller is then insolvent. Accordingly, there is a risk that the realisable value of the Selected Loans could be adversely affected by the lack of representations and warranties which in turn could adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Failure to manage retail credit risk in the Issuer’s mortgage operations may adversely impact profitability.

Retail credit risk is present in Maybank Singapore Limited’s mortgage operations and represents the potential inability of a mortgage borrower to repay their mortgage. In particular, an inability to repay may result in the repossession of the borrower’s property, Maybank Singapore Limited will be exposed to the credit risk of the relevant property and a subsequent loss if the value of the property upon sale is insufficient to pay the mortgage balance in full. A failure of Maybank Singapore Limited to effectively manage retail credit risk could lead to an increased incidence of retail credit losses, which could impact on the profitability of the Issuer and its ability to meet obligations under the Covered Bonds as they fall due.

Borrowers and/or Mortgagors may default on their obligations due under the Loans. Defaults may occur for a variety of reasons. The Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal. Examples of such factors include changes in the national or international economic climate, regional economic or housing conditions, tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Other factors in the Borrowers’ and the Mortgagors’ individual, personal or financial circumstances may affect the ability of Borrowers or the Mortgagors to repay the Loans. Loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers or Mortgagors and could ultimately have an adverse impact on the ability of Borrowers or Mortgagors to repay the Loans. In addition, the ability of a Mortgagor to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

The True Balance of any Defaulted Loans in the Portfolio will be given a reduced weighting for the purposes of any calculation of the Asset Coverage Test and the Amortisation Test.

The geographic concentration of the Loans may exacerbate the effect of changes to Singapore's economic conditions and housing markets.

To the extent that Singapore's economic conditions and housing markets may be affected by domestic and international economic events, political events, natural disasters or by movements and events that occur in global financial markets, the effect of such events on Singapore's economic conditions and housing markets may be exacerbated due to the fact that the Loans and their Related Security are located in a single geographic market. The Covered Bond Guarantor can predict neither when nor where such events may occur nor to what extent and for how long such conditions may continue but if the timing and payment of the Loans in the Portfolio is adversely affected as described above, the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee could be reduced or delayed.

There is a risk that consumers may be able to bring an action under consumer protection legislation in Singapore.

Consumer protection legislation in Singapore is set out under three main statutes: the Unfair Contracts Terms Act 1977 of Singapore (the "UCTA"), the Misrepresentation Act 1967 of Singapore (the "Misrepresentation Act") and the Consumer Protection (Fair Trading) Act 2003 of Singapore (the "CPFTA"). The application of such consumer protection legislation may have an impact on the loans in the Portfolio.

The UCTA prohibits a supplier that is contracting with a counterparty who is dealing as a consumer or on the supplier's written standard terms of business from, by reference to a contract term:

- (i) excluding or restricting its liability for breach of contract; or
- (ii) claiming to be entitled:
 - (a) to render a contractual performance substantially different from that which was reasonably expected of it; or
 - (b) in respect of the whole or any part of its contractual obligation, to render no performance at all,

unless, in each case, the contract term satisfies the requirement of reasonableness (that is, the contract term must have been a fair and reasonable one to be included having regard to the circumstances which were, or ought reasonably to have been, known to or in the contemplation of the parties when the contract was made). Similarly, contract terms requiring the consumer to indemnify the supplier in respect of liability incurred by the supplier's negligence or breach of contract are also prohibited unless they satisfy the requirement of reasonableness.

The UCTA also provides that a person cannot exclude or restrict his liability for negligence except insofar as the term satisfies the requirement of reasonableness. This requirement applies regardless of whether or not parties are contracting as consumers or suppliers.

The Misrepresentation Act applies this requirement of "reasonableness" to terms which would exclude or restrict any liability to which a party to a contract may be subject by reason of any misrepresentation made by him before the contract was made, or any remedy available to another party to the contract by reason of such a misrepresentation.

Accordingly, there is a risk that a consumer may be able to challenge a term in the loan documentation (including terms relating to interest rates) on the basis that it does not pass the "reasonableness test" under the UCTA or the Misrepresentation Act and is therefore not binding on the consumer. In this case, the contract should still continue to bind the consumer if it is capable of continuing in existence without the unfair term.

The CPFTA (which applies to transactions involving financial services from 15 April 2009) prohibits “unfair practices”. “Unfair practices” means, for a supplier in relation to a consumer transaction:

- (i) doing or saying anything, or omitting to do or say anything, if as a result a consumer might reasonably be deceived or misled;
- (ii) making a false claim;
- (iii) taking advantage of a consumer if the supplier knows or ought reasonably to know that the consumer is not in a position to protect his own interests or is not reasonably able to understand the character, nature, language or effect of the transaction or any matter related to the transaction; or
- (iv) without limiting the generality of paragraphs (a) to (c) above to do anything specified in the Second Schedule of the CPFTA — in particular, taking advantage of a consumer by including in an agreement terms or conditions that are harsh, oppressive or excessively one-sided so as to be unconscionable may be considered an unfair practice.

A consumer who has entered a consumer transaction involving an unfair practice may commence an action against the supplier under the CPFTA for a claim of up to SGD 30,000. This may potentially include challenges to interest rates. Singapore courts may order restitution of any money, property or other consideration given or furnished by the consumer, award the consumer damages in the amount of any loss or damage suffered by the consumer as a result of the unfair practice, make an order of specific performance against the supplier or make an order varying the contract between the supplier and the consumer.

Accordingly, there is a risk that a consumer may be able to bring an action against MSL as the provider of the Loan, or (in the case of Non-CPF Loans) where title has passed to the Covered Bond Guarantor, against the Covered Bond Guarantor. Apart from the consumer having a claim in damages, it is also open to Singapore courts to vary the loan contract, which may have an impact on other terms under the loan.

If any of the risks highlighted above were to occur, then the realisable value of the Portfolio or any part thereof and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected.

The Lending Criteria may be revised by the Seller.

Each of the Loans originated by the Seller will have been originated in accordance with its Lending Criteria at the time of origination. It is expected that the Seller’s Lending Criteria will generally consider type of property, term of loan, age of applicant, the loan-to-value (“LTV”) ratio, status of applicant and credit history. In the event of the sale of any Non-CPF Loans and their Related Security to the Covered Bond Guarantor or the declaration of trust over any CPF Loans and their Related Security in favour of the CBG Beneficiary, the Seller will warrant only that such Loans and their Related Security were originated in accordance with the Seller’s Lending Criteria applicable at the time of origination. The Seller retains the right to revise its Lending Criteria from time to time. If the Lending Criteria change in a manner that affects the creditworthiness of the Loans, that may lead to increased defaults by Borrowers and/or the Mortgagors and may affect the realisable value of the Portfolio, or part thereof, and the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. As noted above, however, Defaulted Loans in the Portfolio will be given a zero weighting for the purposes of the calculation of the Asset Coverage Test and the Amortisation Test.

The Covered Bond Guarantor does not have legal title to the Loans and their Related Security in the Portfolio on the relevant Closing Date.

In respect of Non-CPF Loans and their Related Security, on the relevant Closing Date, the sale by the Seller to the Covered Bond Guarantor of Non-CPF Loans and their Related Security has taken or will take effect by way of an equitable assignment and legal title to the Non-CPF Loans and each of their Related

Security will remain with the Seller. Transfer of the legal title to the Non-CPF Loans and their Related Security to the Covered Bond Guarantor would only occur in the limited circumstances described in *“Summary of the Principal Documents — Mortgage Sale Agreement — Transfer of title to the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser”* and until such right arises the Covered Bond Guarantor will not give notice of the sale of the Non-CPF Loans and their Related Security to any Borrower, Mortgagor, surety, guarantor or relevant counterparty or lodge or register caveats/instruments with the Land Titles Registry in respect of its equitable interest in the Non-CPF Loans and their Related Security.

In respect of CPF Loans and their Related Security, on the relevant Closing Date, the Assets Trustee will declare and/or include in a trust over all of the Seller’s present and future rights, estate, title, interests, benefits and remedies in and to the CPF Loans and their Related Security in favour of the CBG Beneficiary. Transfer of the legal title to the CPF Loans and their Related Security to a Replacement Assets Trustee would only occur in the limited circumstances following the occurrence of a Replacement Assets Trustee Event (see *“Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee”*). The CBG Beneficiary has covenanted in the Singapore Deed of Charge that it shall not call, request or act in any manner to transfer legal title in any of the Trust Assets from the Assets Trustee to itself without the prior written consent of the Security Trustee. The Security Trustee has covenanted in the Singapore Deed of Charge that it shall not consent to any such transfer of legal title in the Trust Assets to the CBG Beneficiary in any circumstances.

Since the Covered Bond Guarantor has not obtained legal title to the Loans or their Related Security and has not protected its interest in the Loans and their Related Security by notifying any Borrower, Mortgagor, surety, guarantor or relevant counterparty nor lodging/registering any caveat or instrument with the Land Titles Registry or otherwise perfected its legal title to the Loans or their Related Security, the following risks exist:

- (i) first, if the Seller wrongly sells a Loan (whether a CPF Loan or a Non-CPF Loan) and its Related Security, which has already been sold to the Covered Bond Guarantor, to another person, then such person might obtain good title to such Loan and its Related Security, free from the interests of the Covered Bond Guarantor. If this occurred, then the Covered Bond Guarantor would not have good title to such Loan and its Related Security and it would not be entitled to payments by a Borrower or Mortgagor in respect of such Loan. However, the risk of third party claims obtaining priority to the interests of the Covered Bond Guarantor would likely be limited to circumstances arising from a breach by the Seller of its contractual obligations or fraud, negligence or mistake on the part of the Seller or the Covered Bond Guarantor or their respective personnel or agents;
- (ii) second, the rights of the Covered Bond Guarantor (in respect of either the CPF Loans and/or the Non-CPF Loans) may be subject to the rights of the Borrowers and/or the Mortgagors against the Seller, such as rights of set-off, which occur in relation to transactions or deposits made between Borrowers, Mortgagors or other security providers on the one hand and the Seller on the other, and the rights of Borrowers and/or Mortgagors to redeem the Mortgages by repaying the Loans directly to the Seller;
- (iii) third, unless the Covered Bond Guarantor has perfected the assignment of the Non-CPF Loans and their Related Security (which it is only entitled to do in certain limited circumstances), the Covered Bond Guarantor would not be able to enforce any obligations of the Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty under a Non-CPF Loan or any of its Related Security (including the Mortgage itself) but would have to join the Seller as a party to any legal proceedings; and
- (iv) fourth, in the case of CPF Loans and their Related Security held under the Assets Trust, any action to enforce such CPF Loans and their Related Security will have to be taken through the Assets

Trustee or in the name of the Assets Trustee (see “*Summary of the Principal Documents — Declaration of Assets Trust — Assets Trustee Power of Attorney*”).

If any of the risks described above were to occur, then the realisable value of the Portfolio or any part thereof and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected.

The transfer of legal title to any Loans and their Related Security to the Covered Bond Guarantor or a Replacement Assets Trustee (as applicable) will necessitate the giving of notice of the sale and transfer or assignment of the relevant Loans and their Related Security to the relevant Borrower, Mortgagor, surety, guarantor or other relevant counterparty (the “**Relevant Counterparties**”). In this regard, the Seller or the Assets Trustee (as applicable) has given certain undertakings for the benefit of the Covered Bond Guarantor or the CBG Beneficiary (as applicable) to effect such notice within 30 days of the occurrence of certain perfection events or, as the case may be, the appointment of a Replacement Assets Trustee (“*Summary of the Principal Documents — Mortgage Sale Agreement — Transfer of title to the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser*” and “*Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*”) and, in the event that the Seller fails to do so, the Covered Bond Guarantor may do so (acting in the name of Maybank Singapore Limited as Seller under the Seller Power of Attorney) and, in the event that the Assets Trustee fails to do so, the CBG Beneficiary may do so (acting in the name of Maybank Singapore Limited as Assets Trustee under the Assets Trustee Power of Attorney). In order to be able to give such notice, the Covered Bond Guarantor or the CBG Beneficiary (as applicable) may need certain customer information (including name and notice details) pertaining to each Relevant Counterparty. However, the terms and conditions of such Loans and their Related Security may not allow the Seller or the Assets Trustee (as applicable) to disclose such customer information to the Covered Bond Guarantor or the CBG Beneficiary (as applicable) in accordance with the applicable laws and regulations relating to disclosure of such customer information. In such circumstances, the Seller has undertaken to the CBG and the Assets Trustee to amend the terms and conditions of the relevant Loans and their Related Security to facilitate such disclosure, and the terms and conditions of the relevant Loans and their Related Security allow the Seller to make such amendments without requiring the consent of the Relevant Counterparties by giving notice to the Relevant Counterparties. To the extent that the Seller fails to implement such amendments, the Covered Bond Guarantor may do so (acting in the name of Maybank Singapore Limited under the Seller Power of Attorney) or the CBG Beneficiary may do so (acting in the name of Maybank Singapore Limited under the Assets Trustee Power of Attorney), including by giving notice to the Relevant Counterparties that such amendments will be made by publication in a newspaper of general circulation in Singapore or through any other channel that the Covered Bond Guarantor or the CBG Beneficiary (as applicable) may determine appropriate. Once such amendments have become effective, the Seller or the Assets Trustee (as applicable) will be entitled, and obliged, to deliver the relevant customer information to the Covered Bond Guarantor or the CBG Beneficiary (as applicable) for the purpose of the Covered Bond Guarantor or the CBG Beneficiary (as applicable) notifying the Relevant Counterparties of the sale and transfer or assignment of the relevant Loans and their Related Security. A delay in any of the foregoing will prolong the time required to transfer legal title to the Loans and their Related Security to the Covered Bond Guarantor or the Replacement Assets Trustee (as applicable) and therefore the period of time during which the Covered Bond Guarantor or the CBG Beneficiary (as applicable) are exposed to the risks referred to above.

Once notice has been given to the Borrowers, the Mortgagors, the sureties, the guarantors and the relevant counterparties of the assignment or transfer of the Loans and their Related Security to the Covered Bond Guarantor, the Replacement Assets Trustee or a Relevant Purchaser (as the case may be), independent set-off rights which a Borrower and/or a Mortgagor has against the Seller (such as, for example, set-off rights associated with Borrowers and/or Mortgagors holding deposits with the Seller) will crystallise and further rights of independent set-off would cease to accrue from that date and no new rights of independent

set-off could be asserted following that notice. Set-off rights arising under “transaction set-off” (which are set-off claims arising out of a transaction connected with the Loan) will not be affected by that notice and will continue to exist. There is also uncertainty as to whether certain rights of set-off in relation to deposit accounts that a Borrower or Mortgagor may hold with the Seller would have to be first set off against the Loans, and in particular in the situation where a liquidator of the Issuer is or is to be appointed (see further *“Risk Factors – Risks Relating to the Covered Bond Guarantor – Set-off risk, including set-off risk arising under Section 62A of the Banking Act may adversely affect the value of the Portfolio or any part thereof”*).

Set-off risk, including set-off risk arising under Section 62A of the Banking Act may adversely affect the value of the Portfolio or any part thereof.

Section 62A of the Banking Act (“**Section 62A**”) provides that despite any written law or rule of law relating to the winding-up of companies, in the event of the winding-up of a bank in Singapore, a liquidator must first set-off a depositor’s liabilities to the bank against any deposit of the depositor placed with the bank that is accepted (a) in Singapore dollars; or (b) on terms under which the deposit may be repaid by the bank in Singapore dollars. As such, the amount owing by the depositor under the Loans could then be set-off against any deposit of the depositor placed with the bank, possibly reducing the amount recoverable under the Loans. This section is intended to protect depositors. Without such set-off, the depositor would have to pay the full extent of its liabilities to the bank and may possibly only receive a dividend or partial payment in respect of deposits of the depositor placed with the bank, in the case of insolvency of the Seller where a liquidator is appointed.

There has not been any failure of any major bank in Singapore in the history of modern Singapore. The scope of Section 62A has not been tested in the Singapore courts. It is likely that from the moment (in respect of Non-CPF Loans and their Related Security) notice of the sale and assignment or (in respect of CPF Loans and their Related Security (and any related Top-up Loans)) notice of the transfer to the Replacement Assets Trustee is given to the Borrowers and/or Mortgagors, and provided such notices are given sufficiently early and at a time when the Seller is a going concern and is able to pay its debts in the ordinary course of business as they fall due, that the liabilities of the Borrowers and/or the Mortgagors are then owed to the Covered Bond Guarantor (where the notice of the sale and assignment is concerned) or the Replacement Assets Trustee (where the notice of transfer is concerned) and not the Seller. On a literal reading of Section 62A, if such notice is given before a liquidator is appointed for the Seller, there would be no liabilities to the Seller to which Section 62A may apply. Hence, there would be no Section 62A set-off. If Section 62A does not apply, this may mean that Borrowers and/or Mortgagors may not have sufficient time to react, e.g. by transferring their deposits to another bank, and may well lose the benefit of Section 62A, the moment notice is given. At the minimum, it is likely that if the sale and assignment of the Non-CPF Loans and their Related Security, or the transfer of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) to the Replacement Assets Trustee happen prior to the insolvency of the Seller and the Borrowers and/or the Mortgagors are given notice of the sale and assignment well before any commencement of winding up of the Seller and appointment of a liquidator, the likelihood is that Singapore courts would uphold the sale and assignment and hold that set-off pursuant to Section 62A will not apply.

While the scope of Section 62A remains untested in the Singapore courts, it is likely that if the notice of assignment or notice of transfer is given to the Borrowers and/or the Mortgagors (i) well before the commencement of winding-up of the Seller or the appointment of any liquidator of the Seller, and (ii) when the Seller is a going concern and is able to pay its debts in the ordinary course of business as they fall due, a Singapore court may respect the sale and assignment of the Non-CPF Loans and their Related Security and the sale of and declaration of trust over the CPF Loans and their Related Security (and any related Top-up Loans) respectively, and hold that set-off pursuant to Section 62A will not apply. The property of the Covered Bond Guarantor and/or the Replacement Assets Trustee should not be utilised to meet the Seller’s liabilities. It is possible that where the depositors have been given sufficiently early notice of assignment or notice of transfer, the depositors would have the means and opportunity to make necessary

arrangements in relation to their deposits if there are any concerns relating to the insolvency of the Seller. There is no certainty that this is the position the Singapore courts will adopt and in any event, there has not been any definitive statement or indication to date as to what constitutes an acceptable interval between (in the case of Non-CPF Loans and their Related Security) the sale and assignment and (in the case of CPF Loans and their Related Security (and any related Top-up Loans)) the transfer of legal title under the Assets Trust, and the insolvency of the Seller, such that Section 62A will not apply.

As described above, the sale of Non-CPF Loans by the Seller to the Covered Bond Guarantor will be effected by an equitable assignment and in respect of CPF Loans and their Related Security (and any related Top-up Loans), a trust will be declared by the Assets Trustee in favour of the CBG Beneficiary. As a result, legal title to the Loans and their Related Security will remain with the Seller. Therefore, the rights of the Covered Bond Guarantor and the CBG Beneficiary may be subject to the direct rights of the Borrowers and/or the Mortgagors against the Seller, including rights of set-off which occur in relation to transactions or deposits made between the Borrowers and/or the Mortgagors and the Seller existing prior to notification to the Borrowers and/or Mortgagors of the assignment of the Loans and their Related Security (and any related Top-up Loans).

There may also be significant delays in transferring the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) subject to the Assets Trust (see further “*Risk Factors — Risks Relating to the Covered Bond Guarantor — The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement*”). There is no guarantee that the transfer of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) under the Assets Trust to the Replacement Assets Trustee will complete prior to the application of Section 62A.

The exercise of set-off rights by Borrowers and/or Mortgagors may adversely affect the realisable value of the Portfolio and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. The Asset Coverage Test has been structured to mitigate the potential set-off risk (although there is no assurance that such risks will be accounted for) (see “*Summary of the Principal Documents — Establishment Deed — Asset Coverage Test*”).

Delays may result from an insolvency or resolution of the Seller.

There has not been any failure of any major bank in Singapore in the history of modern Singapore, and there is no certainty or precedent as to how a major bank insolvency or resolution will be conducted or dealt with. Under various powers conferred on the MAS, the MAS may issue directions or orders that may, amongst other things, impact the running and management of a bank, including the Seller, for example by directing that there be a change of management. There are also insolvency procedures that may come into play when a bank becomes insolvent. In the case of insolvency of the Seller, an insolvency practitioner, e.g. a liquidator, could be appointed who would take over the management of the Seller.

The change of management or imposition of safeguards and other implications arising from resolution or insolvency proceedings of the Seller could delay actual recovery by the Covered Bond Guarantor from the Seller of the Loans and their Related Security that had been sold by the Seller to the Covered Bond Guarantor. For instance, if there is a need for Covered Bond Guarantor to sue the Seller to recover the Loans and their Related Security, there may be moratoriums which may prohibit the commencement of legal proceedings for obtaining a Section 55B/C Court Order or a Sections 210/212 Court Order until such moratoriums are lifted. Such moratoriums may be lifted with the permission of the court but securing such permission may take some time and cause some delays. Costs may also have to be incurred in respect of the procedures described above. Furthermore, the MAS may temporarily suspend termination rights for contracts due to resolution measures (or proposed resolution measures). This suspension cannot exceed two business days in length, but this can result in some delays.

Delays may result from an insolvency of the Covered Bond Guarantor.

Where the Covered Bond Guarantor is insolvent and undergoes certain insolvency procedures, there may be delays on the part of the Security Trustee to enforce security provided by the Covered Bond Guarantor. For one, there would be a moratorium against the enforcement of security once a judicial management application is made, and this moratorium may be extended if a judicial management order is made. Pursuant to section 91(8)(d) of the IRDA, read with the Prescribed Companies Order, a judicial management order shall not be made in relation to a covered bond special purpose vehicle or securitisation special purpose vehicle (i.e. the Covered Bond Guarantor). Under section 94(13) of the IRDA, an interim judicial manager or a judicial manager must not be appointed to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle) in a voluntary judicial management procedure either. However, the Court may nevertheless grant a judicial management order in relation to the Covered Bond Guarantor if it considers that the public interest so requires. If so, the moratoriums would apply. The permission of the court or the judicial manager would be required to lift the moratorium and this may result in delays in enforcement of security. In addition, there is also 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 Covered Bond Guarantor (there are wider moratoriums against the enforcement of security under sections 64 and 65 of the IRDA in relation to creditors' schemes of arrangement, though pursuant to section 63(3) of the IRDA, read with the Prescribed Companies Order, such moratoriums do not apply to the Covered Bond Guarantor as a covered bond special purpose vehicle or securitisation special purpose vehicle). This moratorium can be lifted with court permission and in the case of judicial management, with the permission of the judicial manager. Accordingly, if there is any need for the Security Trustee to sue the Covered Bond Guarantor in connection with the enforcement of the security, 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.

If a judicial manager is appointed, the judicial manager would be able to dispose of security that is the subject of a floating charge and with the permission of the court, security that is the subject of a fixed charge. The costs and expenses of judicial management rank ahead of the claims of the floating chargee.

The Security Trustee would have security in the form of fixed and floating charges over all the assets of the Covered Bond Guarantor and would be entitled to appoint a receiver and manager of all the assets of Covered Bond Guarantor. With such rights, and if the Court is satisfied that the prejudice that would be caused to the Security Trustee if the judicial management order is made is disproportionately greater than the prejudice that would be caused to unsecured creditors of the Covered Bond Guarantor if the application is dismissed, the Security Trustee would have a strong right to object to the appointment of any judicial manager, save only in the case where public interest so requires.

A judicial management order may affect the Security Trustee's ability to enforce the security.

In a judicial management of the Covered Bond Guarantor, subject to certain safeguards, security of equal or higher priority may be granted in favour of a rescue financier (section 101 of the IRDA). Note however that pursuant to section 91(8)(d) of the IRDA, a judicial management order shall not be made in relation to a bank or a covered bond special purpose vehicle or securitisation special purpose vehicle (i.e. the Covered Bond Guarantor) (when read with the Prescribed Companies Order). However, the Court may nevertheless grant a judicial management order in relation to the Covered Bond Guarantor if it considers that the public interest so requires. If so, such provisions in relation to the judicial management may apply to the Covered Bond Guarantor and as such, if there is an application by a rescue financier, security of equal or higher priority to that of the Security Trustee's may be granted to the said rescue financier.

In addition, in a Court application for judicial management of the Covered Bond Guarantor, the Court must dismiss an application for a judicial management order if the making of the order is opposed by a person who has appointed or is entitled to appoint such a receiver and manager (i.e. the Security Trustee) and the Court is satisfied that the prejudice that would be caused to the said person (i.e. the Security Trustee)

if the order is made is disproportionately greater than the prejudice that would be caused to unsecured creditors of the company if the application is dismissed. If the Security Trustee fails to satisfy the Court on the issue of prejudice, there is a risk that the Court may not dismiss the application for the judicial management order.

Prohibitions against ipso facto clauses may affect termination or modification of rights.

Section 440 of the IRDA prevents, amongst other things, the termination or amendment of a term under an agreement with a company, or termination or modification of any right or obligation under any agreement with the company, by reason only that judicial management or scheme proceedings are commenced or that the company is insolvent. This includes security agreements. While section 440 does not apply where the subject company is a covered bond special purpose vehicle or a securitisation special purpose vehicle (which includes the Covered) (under section 440(5)(a) of the IRDA read with the Insolvency, Restructuring and Dissolution (Prescribed Companies under Section 440) Order 2020), and while contracts or agreements that are covered bonds or are connected with a covered bond or the issuing of a covered bond are excluded from the application of section 440 (under section 440(5)(a) of the IRDA read with the Insolvency, Restructuring and Dissolution (Prescribed Contracts under Section 440) Regulations 2020), this exclusion remains untested and there is no assurance that a Court will find that all of the relevant agreements are “connected with” the covered bond and that section 440 should not apply.

All land in Singapore may be acquired by the State under the Land Acquisition Act 1966 of Singapore.

All land in Singapore may be acquired by the State under the Land Acquisition Act 1966 of Singapore (the “**Land Acquisition Act**”), including Property the subject of Mortgages in the Portfolio. Generally, a public purpose or a certain specified purpose, such as the building of transportation, infrastructure or public housing, must be present before the State may exercise its rights of compulsory acquisition in respect of such land. The declaration for the acquisition of land for such purpose is usually published by way of notification in the Government Gazette and such notification is conclusive evidence that the land is needed for the purpose specified in the notification.

Upon the publication of the notification, the Collector of Land Revenue will be directed to take proceedings for the acquisition of land. A notice will be published in the daily local newspapers circulating in Singapore stating, *inter alia*, that the State intends to acquire the land and that claims to compensation for all interests in the land may be made to the Collector of Land Revenue. Notices will also be served on every person known or believed to be interested in the land or any person known or believed to be entitled to act for a person so interested, to inform them of the same.

Thereafter, the Collector of Land Revenue shall proceed to inquire into any objections and as soon as possible after the conclusion of the inquiry make an award of the area of the land to be acquired, the compensation which in his opinion should be allowed for the land and the apportionment of compensation among all persons known or believed to be interested in the land. Compensation will be based on the market value of the land to be acquired under the Land Acquisition Act.

There is no guarantee or assurance that the amount of compensation paid for the acquired Property will be of sufficient value to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Covered Bondholders will have limited recourse to the Seller and the Issuer in respect of a breach of Representation and Warranty.

The Covered Bond Guarantor, the Bond Trustee and the Security Trustee will not undertake any investigations, searches or other actions on any Loan or its Related Security and will rely instead on the Representations and Warranties given in the Mortgage Sale Agreement by the Seller in respect of the Loans and their Related Security sold by it to the Covered Bond Guarantor.

If any Loan or its Related Security sold by the Seller does not materially comply with any of the Representations and Warranties made by the Seller as at the Closing Date of that Loan or that Related Security, then the Seller will be required to notify the Covered Bond Guarantor and the Security Trustee as soon as reasonably practical after becoming aware of the fact and, upon receipt of a request to do the same from the Covered Bond Guarantor, remedy the breach within 30 days of receipt by it of the request.

If the Seller fails to remedy the breach of a Representation and Warranty within 30 days, then the Seller will be required (but only prior to the occurrence of an Issuer Event of Default and after the service of a Loan Repurchase Notice) to repurchase or accept surrender on such date that the Covered Bond Guarantor may direct in the Loan Repurchase Notice the relevant Loan and its Related Security.

The repurchase price payable upon the repurchase of any Non-CPF Loan and its Related Security or surrender of the Trust Assets relating to any CPF Loan and its Related Security (and any related Top-up Loans) by the CBG Beneficiary is an amount equal to the True Balance of such Loan as of the date of repurchase plus accrued interest, arrears of interest and any other amounts due in respect thereof up to (but excluding) the date falling two Singapore Business Days prior to the date of repurchase.

There can be no assurance that the Seller, in the future, will have the financial resources to repurchase a Non-CPF Loan or Non-CPF Loans and its or their Related Security or accept surrender of the Trust Assets relating to any CPF Loan and its Related Security (and any related Top-up Loans) by the CBG Beneficiary and make the required Distribution. However, if the Seller does not repurchase or accept surrender those Loans and their Related Security which are in breach of the Representations and Warranties, then the True Balance of those Loans will be excluded from the calculation of the Asset Coverage Test. There is no further recourse to the Seller or the Issuer in respect of a breach of a Representation or Warranty.

The repayment of the Demand Loan will rank ahead of payments under the Covered Bond Guarantee.

The Demand Loan at any relevant time will be equal to the difference between the outstanding principal balance of the Intercompany Loan and the principal amount of the Guarantee Loan at that time. The Guarantee Loan, at any relevant time, is in an amount equal to:

- (i) the SGD Equivalent of the outstanding nominal amount of the Covered Bonds at that time, plus;
- (ii) an amount equal to the aggregate principal amount outstanding (or, in the case of assets in the form of Loans (other than Converted Loans), the True Balance) of additional assets in excess of (i) above, as required to satisfy (and determined in accordance with) the Asset Coverage Test; minus
- (iii) the outstanding principal amount of the Subordinated Loan (excluding, for the avoidance of doubt, interest and other non-principal amounts thereunder).

The Demand Loan is therefore a voluntary level of over-collateralisation above what is strictly required under the Asset Coverage Test. For this reason, the Intercompany Loan Provider may demand the repayment of that Demand Loan at any point in time prior to service of a Notice to Pay or a CBG Acceleration Notice, *provided that*, following the repayment of that Demand Loan, the Asset Coverage Test will continue to be complied with. Following a Demand Loan Repayment Notice or service of a Notice to Pay or a CBG Acceleration Notice, the Demand Loan must be repaid. In all circumstances, repayment of the Demand Loan will rank ahead of payments under the Covered Bond Guarantee. Repayment of principal on the Demand Loan may (at the discretion of the Intercompany Loan Provider) (and, following the service of a Notice to Pay or a CBG Acceleration Notice, shall only) be made by payment in kind with the transfer of Demand Loan Repayment Assets, in each case in accordance with the terms of the Intercompany Loan Agreement, to the Intercompany Loan Provider. The repayment of the Demand Loan will be made in priority to amounts owed to other Secured Creditors, including the Covered Bondholders.

Further, the Demand Loan Repayment Assets (and certain principal collections in respect of the Demand Loan Repayment Assets) will not form part of the assets that are applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments following the occurrence of a CBG Event of Default and delivery of a CBG Acceleration Notice.

In order to provide sufficient time to the Servicer and the Cash Manager to select and transfer or reassign, release and surrender the Covered Bond Guarantor's or, as the case may be, the CBG Beneficiary's rights, estate, title, interests, benefits and remedies in respect of the relevant Demand Loan Repayment Assets to or in favour of, as the case may be, the Intercompany Loan Provider in accordance with the terms of the Intercompany Loan Agreement, the terms of the Singapore Deed of Charge provide that the Security Trustee may only apply amounts in accordance with the Post-Enforcement Priority of Payments on and after the first CBG Payment Date following the earlier of:

- (a) 30 days following the service of a CBG Acceleration Notice on the Covered Bond Guarantor; and
- (b) the date the Asset Percentage is fixed following the service of a CBG Acceleration Notice in accordance with the Intercompany Loan Agreement.

Covered Bondholders should therefore include such analysis of the Demand Loan in their review of the level of over-collateralisation in the Portfolio from time to time. Payments to Secured Creditors, including the Covered Bondholders, may also be delayed in respect of the Post-Enforcement Priority of Payments.

Risks Relating to the Covered Bonds

Limitations on further issuances of Covered Bonds issued under the Programme.

Save in respect of the first issue of Covered Bonds issued under the Programme, Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds or have different terms from an existing Series of Covered Bonds (in which case they will constitute a new Series).

All Covered Bonds issued from time to time will rank *pari passu* with each other in all respects and will share in the security granted by the Covered Bond Guarantor under the Deeds of Charge. If an Issuer Event of Default occurs in respect of a particular Series of Covered Bonds, the Covered Bonds of all Series outstanding will accelerate at the same time against the Issuer (following service of an Issuer Acceleration Notice) but will be subject to, and have the benefit of, payments made by the Covered Bond Guarantor under the Covered Bond Guarantee (following service of a Notice to Pay). Subject as provided in Condition 9 and the Trust Deed, if a CBG Event of Default occurs, following service of a CBG Acceleration Notice, the Covered Bonds of all Series outstanding will accelerate against the Issuer (if not already accelerated following an Issuer Event of Default) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will accelerate.

There can be no assurance that further issuances will not adversely affect existing holders of the Covered Bonds.

Security Trustee's and Bond Trustee's powers may affect the interests of the Covered Bondholders.

In the exercise of its duties, powers, trusts, authorities and discretions, the Security Trustee shall only have regard to the interests of the Covered Bondholders. In the exercise of its duties, powers, trusts, authorities and discretions, the Security Trustee shall not act on behalf of the Seller.

In having regard to the interests of the Covered Bondholders, the Security Trustee shall be entitled to rely solely on a written confirmation from the Bond Trustee as to whether, in the opinion of the Bond Trustee, any matter, action or omission is or is not in the interests of or is not prejudicial or materially prejudicial to the interests of, the Covered Bondholders. The Bond Trustee shall have sole responsibility for resolving

conflicts of interest as between the Covered Bondholders or any Series or class of them, subject to and in accordance with the provisions of the Trust Deed and the Conditions of the Covered Bonds.

If, in connection with the exercise of its powers, trusts, authorities or discretions, the Bond Trustee is of the opinion that the interests of the Covered Bondholders of any one or more Series would be materially prejudiced thereby, the Bond Trustee shall not exercise such power, trust, authority or discretion without the approval of such Series of Covered Bondholders by Extraordinary Resolution or by a direction in writing of such Covered Bondholders of not less than 25 per cent. of the outstanding notional amount of the Covered Bonds of the relevant Series then outstanding. There can be no assurance that the view taken by the Bond Trustee as to what is materially prejudicial to the interests of the Covered Bondholders will accord with the views of any Covered Bondholder.

The Bond Trustee and the Security Trustee may agree to modifications to the Transaction Documents without, respectively, the Covered Bondholders' or Secured Creditors' prior consent.

Pursuant to Condition 10, and certain provisions of the Trust Deed and the Deeds of Charge, the Bond Trustee has the ability to agree to or direct the Security Trustee to agree to certain modifications (save in relation to a Series Reserved Matter), waivers and authorisations under the Covered Bonds and the Transaction Documents (including the waiver of any Issuer Event of Default and/or CBG Event of Default) without consultation with, or the consent or sanction of, the Covered Bondholders or the other Secured Creditors.

In addition, the rating criteria used by the Rating Agencies to assign a rating to the Covered Bonds may be amended by the Rating Agencies from time to time. Following amendments to the relevant rating criteria by the Rating Agency applicable to a Swap Agreement, the Covered Bond Guarantor, each relevant Swap Provider, the Bond Trustee and Security Trustee may agree to amend and restate the relevant Swap Agreements in order to implement the new rating criteria so as to maintain the ratings then assigned to the Covered Bonds. Such amendments may be prejudicial to the interest of the Covered Bondholders.

Subject as provided in Condition 10 and the Trust Deed, the Bond Trustee must, or must direct the Security Trustee to, agree to modifications, waivers and authorisations as referred to above if so directed by:

- (i) an Extraordinary Resolution of the Covered Bondholders; or
- (ii) the holders of not less than 25 per cent. of the nominal amount of the Covered Bonds of the relevant Series then outstanding.

Further, in respect of a Transaction Document to which the Bond Trustee or the Security Trustee is a party, the Bond Trustee or the Security Trustee (as the case may be) may agree without the consent of the Covered Bondholders, Receipholders or Couponholders to the amendment to such Transaction Document (including, without limitation, adding, changing or removing parties and correcting or rectifying any ambiguity, defective provisions, errors, omissions or inconsistencies to the Transaction Document), *provided that*, following the first Issue Date, the Cash Manager has delivered a Rating Agency Confirmation to the Covered Bond Guarantor, the Agent, the Security Trustee and the Bond Trustee in respect of such amendment and the Cash Manager has confirmed in writing to the Agent, the Security Trustee and the Bond Trustee (as the case may be) and to the Covered Bond Guarantor that in its opinion such amendment will not have an adverse effect on the amount and timing of any payment to the Covered Bondholders. Any such amendment shall be binding on all Covered Bondholders, Receipholders and all Couponholders and, if the Bond Trustee or the Security Trustee, as applicable, so requires, shall be notified to the Covered Bondholders as soon as possible. The Security Trustee and the Bond Trustee (as the case may be) may in its discretion (but shall not be obliged to) rely on the Rating Agency Confirmation delivered to them. Investors should note the risk factor entitled "*Risk Factors — Risks Relating to the Covered Bonds — Risks*

Relating to Rating Agency Confirmations in respect of Covered Bonds” as well as the definition of “Rating Agency Confirmation” set out in the glossary of defined terms at the end of this Offering Circular.

Certain decisions of the Covered Bondholders must be taken at Programme level.

Any Extraordinary Resolution to direct the Bond Trustee to serve an Issuer Acceleration Notice following an Issuer Event of Default or to direct the Bond Trustee to serve a CBG Acceleration Notice following a CBG Event of Default and any direction to the Bond Trustee to take any enforcement action or to direct the Security Trustee to take any enforcement action must be passed at a single meeting of the Covered Bondholders of all Series then outstanding. Therefore, the holders of a single Series of Covered Bonds may not be able to give any directions to the Bond Trustee or the Security Trustee without the agreement of the holders of other outstanding Series of Covered Bonds.

Obligations under the Covered Bond Guarantee may be extended beyond the Maturity Date of the Covered Bonds.

Following the failure by the Issuer to pay the Final Redemption Amount of a Series of Covered Bonds on their Maturity Date (subject to applicable grace periods) and if, following the service of an Issuer Acceleration Notice on the Issuer and of a Notice to Pay on the Covered Bond Guarantor (by no later than the date which falls one Business Day prior to the Extension Determination Date), payment of the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of such Series of the Covered Bonds are not paid in full, then the payment of such Guaranteed Amounts may be automatically deferred. The Issuer is not required to notify Covered Bondholders of such deferral. This will occur (subject to no CBG Event of Default having occurred) if the Pricing Supplement for a relevant Series of Covered Bonds provides that such Covered Bonds are subject to an Extended Due for Payment Date.

To the extent that the Covered Bond Guarantor has received a Notice to Pay in sufficient time and has sufficient monies available to pay in whole or in part the Guaranteed Amounts corresponding to the relevant unpaid portion of the Final Redemption Amount in respect of the relevant Series of Covered Bonds, the Covered Bond Guarantor shall make such payment in accordance with the Guarantee Priority of Payments and as described in Condition 5(a) on any Interest Payment Date up to and including the relevant Extended Due for Payment Date. Payment of the unpaid amount shall be deferred automatically until the applicable Extended Due for Payment Date (where the relevant Series of Covered Bonds are subject to an Extended Due for Payment Date). The Covered Bondholders should be aware that the Extended Due for Payment Date will be the date specified in the applicable Pricing Supplement, interest will continue to accrue and be payable on the unpaid amount in accordance with Condition 4 (*Interest and other Calculations*) and the Covered Bond Guarantor will pay Guaranteed Amounts constituting Scheduled Interest on each Original Due for Payment Date and the Extended Due for Payment Date. In these circumstances, except where the Covered Bond Guarantor has failed to apply money in accordance with the Guarantee Priority of Payments, failure by the Covered Bond Guarantor to make payment in respect of the Final Redemption Amount on the Maturity Date (or such later date within any applicable grace period) shall not constitute a CBG Event of Default. However, failure by the Covered Bond Guarantor to pay Guaranteed Amounts corresponding to the Final Redemption Amount or the balance thereof, as the case may be, on the Extended Due for Payment Date and/or pay Guaranteed Amounts constituting Scheduled Interest on any Original Due for Payment Date or the Extended Due for Payment Date will (subject to any applicable grace period) be a CBG Event of Default.

The Maturity Dates for different Series of Covered Bonds may not be the same. In the case of a Series of Covered Bonds which are subject to an Extended Due for Payment Date (as specified in the applicable Pricing Supplement), if the principal amounts have not been repaid in full, as described in more detail above, by the Extension Determination Date, then the repayment of unpaid principal amounts shall be deferred until the Extended Due for Payment Date. This means that a Series of Covered Bonds having an earlier Maturity Date than such Extended Due for Payment Date may start receiving principal repayments

in advance of the Series of Covered Bonds in respect of which unpaid principal amounts have been deferred until such Extended Due for Payment Date.

The Extended Due for Payment Dates for different Series of Covered Bonds to which an Extended Due for Payment Date applies may not be the same. On each CBG Payment Date following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a CBG Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or the realisation of the Security), the Covered Bond Guarantor will apply Available Revenue Receipts and Available Principal Receipts in accordance with the Guarantee Priority of Payments. To the extent that the amount available for distribution under the Guarantee Priority of Payments would be insufficient to pay the Scheduled Interest, the Scheduled Principal or the Final Redemption Amount of any Series of Covered Bonds to which an Extended Due for Payment Date applies, the shortfall will be divided amongst all such Series of Covered Bonds on a *pro rata* and *pari passu* basis.

General volatility in the wholesale funding markets may affect the ability of the Issuer to fulfil its ongoing obligations under the Programme.

Since the second half of 2007, disruption in the global markets, coupled with the re-pricing of credit risk and the deterioration of the housing markets in the United States and elsewhere, have created difficult conditions in the financial markets. These conditions have resulted in historic volatility, less liquidity or no liquidity, widening of credit spreads and a lack of price transparency in certain markets, both primary and secondary, including with respect to the mortgage-backed securities and covered bond markets. These adverse market conditions have resulted in the failures of a number of financial institutions in the United States and Europe and unprecedented action by governmental authorities, regulators and central banks around the world. While market conditions have shown signs of improvement in certain sectors of the global credit markets, it is difficult to predict whether, or to what extent, such market improvement will continue and/or how long the adverse market conditions will continue to exist. Additionally, there can be no assurance that the market for covered bonds will continue to recover, or to the same degree as other recovering global credit market sectors.

If wholesale funding markets do not continue to improve, or deteriorate further, it may have an adverse effect on the ability of the Issuer (acting in its various capacities under the Programme) to fulfil its ongoing obligations under the Programme and, as a result, the performance of the Covered Bonds may be adversely affected.

The Issuer may issue Covered Bonds which may give rise to particular risks for potential investors.

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

- (i) An optional redemption feature is likely to limit the market value of Covered Bonds. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds 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 Issuer may be expected to redeem Covered Bonds when its cost of borrowing is lower than the interest rate on the Covered Bonds. 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 Covered Bonds 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.
- (ii) The Issuer may issue Covered Bonds where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment. Covered Bonds with floating interest rates can be volatile investments. If they are structured to

include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

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

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.

- (iv) In the case of Covered Bonds which have denominations consisting of a minimum denomination or denominations of such Covered Bonds as specified in the applicable Pricing Supplement (the **"Specified Denomination"**) plus one or more higher integral multiples of another smaller amount, it is possible that Covered Bonds may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a Covered Bondholder who, as a result of trading such amounts, holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Covered Bond in respect of such holding (should Definitive Covered Bonds be printed) and would need to purchase a nominal amount of Covered Bonds such that it holds an amount equal to one or more Specified Denominations.

If Definitive Covered Bonds are issued, holders should be aware that Definitive Covered Bonds which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Covered Bonds linked to or referencing such "benchmarks".

The Programme allows for the issuance of Covered Bonds that reference certain interest rates or other types of rates or indices which are deemed to be "benchmarks", in particular with respect to certain Floating Rate Covered Bonds where the Reference Rate (as defined in the Conditions) may be HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another such benchmark. The Pricing Supplement for the Covered Bonds will specify whether HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another such benchmark is applicable.

Interest rates and indices which are deemed to be or used as "benchmarks" are the subject of international regulatory guidance and proposals for reform in recent years. 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 to have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Covered Bond linked to or referencing such a benchmark.

More broadly, any of the international 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.

The elimination of any benchmarks, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Covered Bonds linked to such benchmark. Such factors may have the following effects on certain benchmarks:

- (i) discourage market participants from continuing to administer or contribute to the benchmark;
- (ii) trigger changes in the rules or methodologies used in the benchmark; or
- (iii) lead to the disappearance of the benchmark.

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Covered Bonds linked to or referencing a benchmark.

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Covered Bonds is to be determined, the Conditions provide that the Rate of Interest shall be determined by reference to the relevant screen page or website depending on whether the Reference Rate is specified as being (or derived from) HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark. In the case of any discontinuation or disapplication of such Reference Rate in accordance with the Conditions, which may include circumstances where the regulatory supervisor of the administrator of the original Reference Rate makes a public statement that such Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market, Condition 4(j) sets out more details on the mechanics for determining the Rate of Interest in the absence of the original applicable Reference Rate. Such mechanics may involve the determination of a replacement Reference Rate and a spread adjustment to be applied to such replacement Reference Rate. The use of any replacement Reference Rate and application of a spread adjustment determined in accordance with Condition 4(j) to determine the Rate of Interest is likely to result in Covered Bonds initially linked to or referencing the original applicable Reference Rate performing differently (which may include payment of a lower Rate of Interest, as applicable) than they would do if the original applicable Reference Rate were to continue to apply in its current form. Any such determination which involves the exercise of discretion by the Issuer or, if the designated person is an affiliate of the Issuer, such affiliate, may also present the Issuer or such affiliate with a conflict of interest.

Furthermore, if a replacement Reference Rate has been determined by the Issuer (or its designated person, as the case may be) in accordance with Condition 4(j), the Conditions provide that the Issuer may vary the Conditions and/or the Trust Deed, as necessary to ensure the proper operation of such replacement Reference Rate, without any requirement for consent or approval of the Covered Bondholders.

Where Condition 4(j) is specified in the relevant Pricing Supplement as the applicable mechanics for determining a replacement Reference Rate, there may be circumstances in which a new replacement Reference Rate may not be able to be determined before the next Interest Determination Date. In such event, the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the discontinuation or disapplication of the original Reference Rate in accordance with the Conditions. This is likely to result in Covered Bonds linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a replacement Reference Rate could be determined. The initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the discontinuation or disapplication of the original applicable Reference Rate in accordance with the Conditions, could, as a result, continue to apply to maturity, which would lead to the floating rate Covered Bonds, in effect, becoming fixed rate Covered Bonds.

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Covered Bonds is to be determined, the Conditions provide that the Rate of Interest in respect of the Floating Rate Covered Bonds shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions or the 2021 ISDA Definitions, as indicated in the relevant Pricing Supplement. If the relevant Floating Rate Option is unavailable (including due to the occurrence of a Fallback Index Cessation Event, as defined in the 2006 ISDA Definitions or the 2021 ISDA Definitions, as the case may be), the 2006 ISDA Definitions or the 2021 ISDA Definitions, as the case may be, may contain fallback provisions to determine a replacement reference rate to be used in place of such Floating Rate Option, and the use of any such replacement rate to determine the Rate of Interest is likely to result in Covered Bonds initially linked to or referencing the original Floating Rate Option performing differently (which may include payment of a lower Rate of Interest) than they would do if the original applicable Floating Rate Option were to continue to apply in its current form. Furthermore, if the fallback provisions provided for by the 2006 ISDA Definitions or the 2021 ISDA Definitions, as the case may be, fail to identify a replacement reference rate, there may be uncertainty as to the Rate of Interest that would be applicable, which may in turn adversely affect the value of, and return on, the Floating Rate Covered Bonds.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Covered Bonds linked to or referencing a benchmark.

Negative benchmark rates would reduce the rate of interest on the Floating Rate Covered Bonds.

The interest rate to be borne by the Floating Rate Covered Bonds is based on a spread over the relevant benchmark, including EURIBOR, HIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another benchmark. Changes in the relevant benchmark rate will affect the rate at which the Floating Rate Covered Bonds accrue interest and the amount of interest payments on the Floating Rate Covered Bonds. To the extent that the relevant benchmark rate decreases below 0.00% for any interest period, the rate at which the Floating Rate Covered Bonds accrue interest for such interest period may be reduced by the amount by which such benchmark rate is negative. Any such movements would be limited to a rate of 0.00% (unless otherwise set out in the relevant Pricing Supplement).

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Covered Bonds.

Investors should be aware that the market continues to develop in relation to risk-free rates, as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. For example, on 29 November 2017, the Bank of England and the United Kingdom Financial Conduct Authority announced that the Bank of England's Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("**SONIA**") over the following four years across sterling bond, loan and derivatives markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. The New York Federal Reserve (the "**NY Federal Reserve**") also began to publish SOFR in April 2018, and the Alternative Reference Rates Committee (the "**ARRC**") has published its Paced Transition Plan which outlines the key milestones until 30 June 2023 to facilitate a smooth and orderly transition from USD LIBOR to SOFR. On 30 August 2019, the MAS similarly announced the establishment of a steering committee (being the Steering Committee for SOR & SIBOR Transition to SORA ("**SC-STs**")) to oversee an industry-wide benchmark transition from SOR to SORA, and on 27 October 2020, the SC-STs announced industry timelines to support a coordinated shift away from the use of SOR in financial products and accelerate usage of SORA, including that all financial institutions and their customers should, by end-April 2021, cease usage of SOR in new loans and securities that mature after end-2021. On 31 March 2021, the SC-STs further announced new industry timelines to cease issuance of SOR derivatives and SIBOR-linked financial products by end-September 2021, including that all financial institutions and their customers should cease usage of SOR

in new derivatives contracts (with certain exceptions) by end-September 2021. On 29 July 2021, the SC-STS further announced new industry timelines encouraging wholesale market participants to substantially shift out of their legacy SOR exposures by 31 December 2021, with specific recommendations in respect of corporate loans, derivatives and bonds to facilitate the transitions from SOR to SORA. For the retail loan market, the SC-STS has announced a longer transition period from September 2021 to October 2022. On 18 July 2022, the SC-STS released a paper setting out the finalised approach for:

- (i) setting the adjustment spreads within the MAS Recommended Rate in ISDA IBOR 2020 Fallbacks Protocol, Supplement number 70 to the 2006 ISDA Definitions and the 2021 ISDA Definitions as well as the SC-STS' recommended contractual fallbacks for bilateral and syndicated corporate loans. These fallbacks will apply when Fallback Rate (SOR) is discontinued after 31 December 2024;
- (ii) supplementary guidance on adjustments spreads for the period until 31 December 2024; and
- (iii) application of the SC-STS supplementary guidance to active transition across various product types.

On 14 December 2022, the SC-STS published an implementation paper setting out technical details for the implementation of SC-STS' supplementary guidance on adjustment spreads for the conversion of SOR contracts to SORA. SC-STS' supplementary guidance applies to the active transition of unhedged SOR loans and is to be used up till end-2024. The implementation paper only covers the setting of adjustment spreads for the conversion of wholesale SOR contracts to Compounded-in-arrears SORA and does not apply to the setting of adjustment spreads for the conversion of legacy SOR retail loans to Compounded-in-advance SORA. The SC-STS has also published an Adjustment Spread calculator which market participants have been encouraged to use for the purpose of supporting the active transition of SOR loans to SORA.

In addition, market participants and relevant working groups are exploring alternative reference rates based on risk-free rates, examples of which include Term SONIA reference rates and Term SOFR reference rates (which seek to measure the market's forward expectation of an average SONIA or SOFR rate over a designated term). The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to any that reference risk-free rates issued under the Programme. The Issuer may in the future also issue Covered Bonds referencing risk-free rates that differ materially in terms of interest determination when compared with any previous Covered Bonds referencing the same risk-free rate issued by it under the Programme. The development of risk-free rates as interest reference rates for the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Covered Bonds issued under the Programme which references any such risk-free rate from time to time.

Furthermore, the basis of deriving certain risk-free rates, such as SONIA Benchmark, SOFR Benchmark or SORA Benchmark, may mean that interest on Covered Bonds which reference any such risk-free rate would only be capable of being determined after the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Covered Bonds which reference any such risk-free rate to estimate reliably the amount of interest which will be payable on such Covered Bonds, and some investors may be unable or unwilling to trade such Covered Bonds without changes to their IT systems, both of which could adversely impact the liquidity of such Covered Bonds. Further, if Covered Bonds referencing SONIA Benchmark, SOFR Benchmark or SORA Benchmark become due and payable as a result of an event of default under Condition 9, the rate of interest payable for the final Interest Period in respect of such Covered Bonds shall only be determined on the date which the Covered Bonds become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Covered Bonds.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of such risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk-free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Covered Bonds referencing such risk-free rates.

Since risk-free rates are relatively new market indices, Covered Bonds linked to any such risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk-free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Covered Bonds may be lower than those of later-issued indexed debt securities as a result. Further, if any risk-free rate to which a series of Covered Bonds is linked does not prove to be widely used in securities like the Covered Bonds, the trading price of such Covered Bonds linked to a risk-free rate may be lower than those of Covered Bonds linked to indices that are more widely used. Investors in such Covered Bonds may not be able to sell such Covered Bonds at all or may not be able to sell such Covered Bonds at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Daily changes in such rates may also be more volatile than daily changes in other benchmarks or market rates, such that the value on and value of Covered Bonds linked to risk-free rates may fluctuate more than floating rate debt securities linked to less volatile rates. There can also be no guarantee that any risk-free rate to which a series of Covered Bonds is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Covered Bonds referencing such risk-free rate. If the manner in which such risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Covered Bonds and the trading prices of such Covered Bonds.

There are risks associated with modifying or amending the terms and conditions of the Covered Bonds by way of a meeting of Covered Bondholders.

The terms and conditions of the Covered Bonds contain provisions for calling meetings of Covered Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Covered Bondholders, including Covered Bondholders who did not attend and vote at the relevant meeting and Covered Bondholders who voted in a manner contrary to the majority.

The Issuer and Covered Bondholders may face certain risks associated with any changes to English law or Singapore law or administrative practice after the date of the issue of the relevant Covered Bonds.

The terms and conditions of the Covered Bonds are based on English law (and the Transaction Documents are governed by English or Singapore law as specified in the applicable Pricing Supplement) in effect as at the date of issue of the relevant Covered Bonds. No assurance can be given as to the impact of any possible judicial decision or change to English law, Singapore law or administrative practice after the date of issue of the relevant Covered Bonds.

Global financial turmoil has led to volatility in international capital markets which may adversely affect the market price of the Covered Bonds.

Global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may adversely affect the market price of the Covered Bonds.

Limited liquidity of the Covered Bonds may affect the market price of the Covered Bonds.

The Covered Bonds will not be registered under the Securities Act or the securities or blue sky laws of any state of the United States. The Covered Bonds may be offered, and may be resold outside of the United

States within the meaning of and in compliance with Regulation S of the Securities Act. Consequently, the Covered Bonds are subject to restrictions on transfer and resale.

The Covered Bonds are a new issue of securities with no established trading market. Application may be made to list a Series of Covered Bonds on the Official List of the SGX-ST. However, if for any reason the Covered Bonds are not listed, the liquidity of the Covered Bonds may be negatively impacted.

The Covered Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Covered Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Covered Bonds that are especially sensitive to interest rate, currency, credit or market risks and/or are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Covered Bonds generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Covered Bonds. Even if the Covered Bonds are traded, they may trade at a discount from their initial issue price, depending on prevailing interest rates, the market for similar securities, the Issuer's performance and other factors.

The Dealers have made no commitment and have no obligation to make a market in the Covered Bonds. Therefore, no assurance can be given that any Dealer will actually make a market in any Covered Bonds that are issued under the Programme, or if it does, that it will continue to make a market in the future. No assurance can be given that an active trading market for any Covered Bonds will develop, and therefore the liquidity of the Covered Bonds may be considerably less than for comparable debt securities.

Changes in accounting principles may have an impact on the Issuer's financials.

The Issuer is subject to risk around changes in accounting standards that may change the basis upon which the Issuer reports its financial results. The audited financial statements of the Issuer are prepared in accordance with the SFRS(I), and there may be changes to the SFRS(I) which may be announced from time to time.

There can be no assurance that any such changes will not have a material adverse impact on the Issuer's financial statements in future periods.

Singapore accounting and corporate disclosure standards may result in more limited disclosure than in other jurisdictions.

The Issuer is subject to Singapore's accounting standards and requirements that differ in certain material respects from those applicable to banks in certain other countries. Also, there may be less publicly available information about Singapore listed companies than is regularly made available by or about listed companies in certain other countries. This Offering Circular does not include a reconciliation of the financial statements of the Issuer to U.S. GAAP and there can be no assurance that such reconciliation would not identify material quantitative differences.

Investors should consult their own professional advisers for an understanding of the differences between SFRS(I) and U.S. GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Circular.

Covered Bondholders may be subject to Singapore taxation.

The Covered Bonds to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2028 are intended to be "qualifying debt securities" for the purposes of the Income Tax Act subject to the fulfilment of certain conditions more particularly described in the section "*Taxation — Singapore Taxation*".

However, there is no assurance that such Covered Bonds will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

The Issuer and the Covered Bond Guarantor is not responsible to pay additional amounts for withholding taxes imposed by a jurisdiction other than Singapore.

The Issuer and the Covered Bond Guarantor is only responsible to pay additional amounts with respect to withholding taxes imposed by Singapore (or any authority therein or thereof having power to tax), subject to certain exceptions. If withholding taxes are imposed by a different jurisdiction, even if they are imposed as a result of a payment being made by or on behalf of the Issuer or the Covered Bond Guarantor from or through such other jurisdiction, the Issuer or the Covered Bond Guarantor will not be obligated to pay additional amounts with respect to, or otherwise take steps to avoid the imposition of, such taxes.

U.S. Foreign Account Tax Compliance Withholding.

Whilst the Covered Bonds are in global form and held within Euroclear and Clearstream (together, the “ICSDs”), in all but the most remote circumstances, it is not expected that U.S. federal income tax law, commonly known as “**FATCA**” will affect the amount of any payment received by the ICSDs. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide such custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer’s obligations under the Covered Bonds are discharged once it has paid the Common Depositary for the ICSDs (as holder of the Covered Bonds) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the ICSDs and custodians or intermediaries.

Risks relating to the ratings of the Covered Bonds.

The ratings assigned to the Covered Bonds address:

- (i) the likelihood of full and timely payment to holders of the Covered Bonds of all payments of interest on each Interest Payment Date; and
- (ii) the likelihood of ultimate payment of principal in relation to Covered Bonds on (i) the Maturity Date thereof, or (ii) if the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee in accordance with the applicable Pricing Supplement, on the Extended Due for Payment Date thereof.

Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgement of the Rating Agency, the credit quality of the Covered Bonds has declined or is in question. If any rating assigned to the Covered Bonds is lowered or withdrawn, the market value of the Covered Bonds may be reduced.

In addition, at any time any Rating Agency may revise its relevant rating methodology with the result that, amongst other things, any rating assigned to the Covered Bonds may be lowered.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension or withdrawal (or, as noted above, revision) at any time. A credit rating may not reflect the potential impact of all of the risks related to the structure, market, additional factors discussed above, and other factors that

may affect the value of the Covered Bonds. Any downgrade in the rating of the Issuer by the Rating Agencies may have a negative impact on the ratings of the Covered Bonds.

Credit ratings assigned to the Covered Bonds do not necessarily mean that they are a suitable investment. Similar ratings on different types of covered bonds do not necessarily mean the same thing. The ratings do not address the marketability of the Covered Bonds or any market practice. Any change in the credit ratings of the Covered Bonds or the Issuer could adversely affect the price that a subsequent purchaser will be willing to pay for the Covered Bonds. The significance of each rating should be analysed independently from any other rating.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings referred to in this Offering Circular, is set out in “*Overview of the Programme — Ratings*” of this Offering Circular. The list of registered and certified rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Risks relating to Rating Agency Confirmations in respect of Covered Bonds.

A written Rating Agency Confirmation that any action proposed to be taken by the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other of the parties to the Transaction Documents will not have an adverse effect on the then current rating of the Covered Bonds does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or not prejudicial to, the Covered Bondholders. While entitled to have regard to the fact that the Rating Agencies may have confirmed that the then current rating of the relevant Series of Covered Bonds would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Secured Creditors (including the Covered Bondholders), the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the other parties to the Transaction Documents or any other person or create any legal relationship between the Rating Agencies and the Secured Creditors (including the Covered Bondholders), the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the other parties to the Transaction Documents or any other person, whether by way of contract or otherwise.

Any such written Rating Agency Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a written Rating Agency Confirmation in the time available or at all, and the Rating Agency should not be responsible for the consequences thereof. A written Rating Agency Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the issuance closing date. A written Rating Agency Confirmation represents only a restatement of the opinions given, and is given on the basis that it will not be construed as advice for the benefit of any parties to the transaction.

Certain Rating Agencies have indicated that they will no longer provide Rating Agency Confirmations as a matter of policy. Therefore, an authorised signatory of the Issuer or, following the occurrence of an Issuer

Event of Default, the Covered Bond Guarantor, may certify in writing to the Security Trustee and the Bond Trustee that, in its opinion (and where a Rating Agency was prepared to consult with the Issuer or the Covered Bond Guarantor, as applicable, this opinion is based on consultation with that Rating Agency), such action would not cause the ratings of the Covered Bonds to be reduced or withdrawn by the Rating Agencies. To the extent that no written Rating Agency Confirmation or certification can be obtained, any action to be taken will be determined in accordance with the provisions of the relevant Transaction Documents, specifically the relevant modification and waiver provisions.

Any credit ratings on the Issuer or the Covered Bonds may not reflect all risks associated with investing in the Issuer or the Covered Bonds, and a downgrade in the ratings of the Issuer or the Covered Bonds may affect the market price of the Covered Bonds.

The Issuer has received long-term issuer ratings of “Aa3” from Moody’s and “A” from S&P. The Issuer’s credit ratings have stable outlooks from Moody’s and S&P. The ratings reflect the ability of the Issuer to make timely payment of principal and interest on senior unsecured debts. There can be no assurance that the ratings will remain in effect for any given period or that the ratings will not be revised by the rating agencies in the future if, in their judgment, circumstances so warrant. Any actual or perceived reduction in the Issuer’s financial strength or viability, whether due to a credit rating downgrade or any other factor, could materially and adversely affect the Issuer’s business, financial condition or results of operations as any such development may, among other things, negatively affect the Issuer’s relationship with its stakeholders (including, for example, customers or employees, shareholders, creditors or investors), and impact the Issuer’s ability to obtain financing on a timely and competitive basis.

In addition, not all issues of Covered Bonds may be rated and even if one or more independent credit rating agencies assigns credit ratings to an issue of Covered Bonds, 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 Covered Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised, downgraded or withdrawn by the assigning rating agency at any time.

The book-entry registration system of the Covered Bonds may reduce the liquidity of any secondary market for the Covered Bonds and may limit the receipt of payments by the beneficial owners of the Covered Bonds.

Because transfers of interests in the Global Covered Bonds or Global Certificates can be effected only through book entries at CDP, the CMU, Euroclear or Clearstream, for the accounts of their respective participants, the liquidity of any secondary market for Global Covered Bonds or Global Certificates may be reduced to the extent that some investors are unwilling to hold Covered Bonds in book-entry form in the name of a CDP, CMU, Euroclear or Clearstream participant. The ability to pledge interests in the Global Covered Bonds or Global Certificates may be limited due to the lack of a physical certificate. Beneficial owners of Global Covered Bonds or Global Certificates may, in certain cases, experience delay in the receipt of payments of principal and interest since such payments will be forwarded by the paying agent to CDP, the CMU, Euroclear or Clearstream, as applicable, who will then forward payment to their respective participants, who (if not themselves the beneficial owners) will thereafter forward payments to the beneficial owners of the interests in the Global Covered Bonds or Global Certificates. In the event of the insolvency of CDP, the CMU, Euroclear or Clearstream or any of their respective participants in whose name interests in the Global Covered Bonds or Global Certificates are recorded, the ability of beneficial owners to obtain timely or ultimate payment of principal and interest on Global Covered Bonds or Global Certificates may be impaired.

Where the Global Covered Bonds or Global Certificates are held by or on behalf of Euroclear, Clearstream and/or the CMU and/or CDP, investors will have to rely on the procedures of

Euroclear, Clearstream, the CMU and/or CDP for transfer, payment and communication with the Issuer

Covered Bonds issued under the Programme may be represented by one or more Global Covered Bonds or Global Certificates. Such Global Covered Bonds or Global Certificates may be deposited with a common depositary for Euroclear and Clearstream and/or with the CMU and/or with CDP. Except in the circumstances described in the relevant Global Covered Bond or Global Certificate, investors will not be entitled to receive definitive Covered Bonds or Certificates. Euroclear, Clearstream, the CMU and CDP will maintain records of the beneficial interests in the Global Covered Bonds or Global Certificates. While the Covered Bonds are represented by one or more Global Covered Bonds or Global Certificates, investors will be able to transfer their beneficial interests only through Euroclear or Clearstream, the CMU or CDP (as the case may be).

Other than in relation to Global Covered Bonds or Global Certificates held by CDP, holders of beneficial interests in the Global Covered Bonds or Global Certificates will not have a direct right to vote in respect of the relevant Covered Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream or the CMU (as the case may be) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Covered Bonds or Global Certificates will not have a direct right under the respective Global Covered Bonds or Global Certificates to take enforcement action against the (i) Issuer following an Issuer Event of Default under the relevant Covered Bonds, or (ii) the CBG following a CBG Event of Default, but in each case will have to rely upon their rights under the Trust Deed.

Covered Bonds may not be a suitable investment for all investors.

The Covered Bonds are complex and high risk financial instruments. Each potential investor in any Covered Bonds 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 Covered Bonds, the merits and risks of investing in the relevant Covered Bonds and the information contained in this Offering Circular or any applicable 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 Covered Bonds 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 Covered Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Covered Bonds and be familiar with the behaviour of any relevant indices and financial markets;
- (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; and
- (vi) understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the Covered Bonds.

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

Covered Bonds and the impact this investment will have on the potential investor's overall investment portfolio. A potential investor should ensure that it has sufficient knowledge and experience (either alone or with the help of a financial adviser) to make its own legal, tax, accounting and financial evaluation of the merits and risks of investing in the Covered Bonds and that it considers the suitability of the Covered Bonds as an investment in light of its own circumstances and financial condition.

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 consult its legal advisers to determine whether and to what extent:

- (i) the Covered Bonds are legal investments for it;
- (ii) the Covered Bonds can be used as collateral for various types of borrowing; and
- (iii) other restrictions apply to its purchase or pledge of any Covered Bonds.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules.

Information Reporting Obligations.

Information relating to the Covered Bonds, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the Covered Bonds, amounts paid or credited with respect to the Covered Bonds, details of the holders or beneficial owners of the Covered Bonds and information and documents in connection with transactions relating to the Covered Bonds. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries. Some jurisdictions operate a withholding system in place of, or in addition to, such provision of information requirements. Pursuant to the terms and conditions of the Covered Bonds and subject to certain limitations, a holder or beneficial owner of Covered Bonds is required to provide information reasonably requested by the Issuer for the purposes of the Issuer's compliance with applicable information reporting regimes.

Risks Relating to the Market Generally

The secondary market generally.

Covered Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Covered Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Covered Bonds that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Covered Bonds generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of Covered Bonds.

Investment in Covered Bonds may be subject to certain risks associated with exchange rate fluctuations and any modifications to exchange controls.

The Issuer will pay principal and interest on the Covered Bonds in the currency specified (the "**Settlement 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 Settlement Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settlement 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 Settlement Currency would decrease:

- (i) the Investor's Currency-equivalent yield on the Covered Bonds;
- (ii) the Investor's Currency equivalent value of the principal payable on the Covered Bonds; and
- (iii) the Investor's Currency equivalent market value of the Covered Bonds.

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.

Interest rate risks.

Covered Bondholders 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 Covered Bonds, resulting in a capital loss for the Covered Bondholders. However, the Covered Bondholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Covered Bonds may rise. The Covered Bondholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

The market value of the Covered Bonds may fluctuate.

Trading prices of the Covered Bonds are influenced by numerous factors, including the operating results, business and/or financial condition of the Issuer, political, economic, financial and any other factors that can affect the capital markets, the industry and/or the Issuer generally. Adverse economic developments, acts of war and health hazards in countries in which the Issuer operates could have a material adverse effect on the Issuer's operations, operating results, business, financial position and performance.

Inflation risks.

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

Implementation of the final set of Basel III reforms may affect the capital requirements and/or liquidity associated with a holding of the Covered Bonds for certain investors.

Regulated institutions may be subject to capital adequacy and liquidity standards under Basel III (which may be incorporated into local legislation by the MAS or other regulators). These requirements can include, amongst others, capital adequacy requirements and liquidity coverage requirements.

Most of the Basel III reforms in Singapore will come into effect from 1 July 2024. These revisions may have an impact on the capital requirements in respect of holdings of the Covered Bonds and/or on incentives to hold the Covered Bonds for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Covered Bonds.

In general, investors should consult their own advisers as to the regulatory capital and liquidity requirements in respect of the Covered Bonds and as to the consequences for and effect on them of any changes to the Basel framework and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Risks Relating to Renminbi-Denominated Covered Bonds

Covered Bonds denominated in Renminbi ("**RMB Covered Bonds**") may be issued under the Programme. RMB Covered Bonds contain particular risks for potential investors.

Renminbi is not freely convertible and there are significant restrictions on remittance of Renminbi into and outside the PRC.

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies despite significant reduction in control by it in recent years over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

However, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although since 1 October 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that the pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under Covered Bonds denominated in Renminbi. Each investor should consult its own advisers to obtain a more detailed explanation of how the PRC regulations and rules may affect their investment decisions.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Covered Bonds and the Issuer's ability to source Renminbi outside the PRC to service such RMB Covered Bonds.

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. While the People's Bank of China ("PBOC") has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**Renminbi Clearing Banks**") and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the "**Settlement Arrangements**"), the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC rules and regulations will not be promulgated or amended or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Covered Bonds. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Covered Bonds, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described

under the Covered Bonds, the Issuer can make payments under the Covered Bonds in a currency other than Renminbi.

Investment in RMB Covered Bonds is subject to exchange rate risks.

The value of Renminbi against U.S. dollars and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and other factors. In August 2015, the PBOC implemented changes to the way it calculates the Renminbi's daily mid-point against U.S. dollars to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made with respect to RMB Covered Bonds in Renminbi save as provided in the terms and conditions in accordance with Condition 6(j). As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the RMB Covered Bonds in that foreign currency will decline. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the RMB Covered Bonds entails foreign exchange related risks, including possible significant changes in the value of RMB relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the RMB Covered Bonds below their stated coupon rates and could result in a loss when the return on the RMB Covered Bonds is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in RMB Covered Bonds.

Investment in the RMB Covered Bonds is subject to currency risk.

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the RMB Covered Bonds as a result of Inconvertibility, Non-transferability or Illiquidity (each as defined in the Conditions), the Issuer shall be entitled, on giving not less than five or more than 30 days' irrevocable notice to the holders of RMB Covered Bonds prior to the due date for payment, to settle any such payment in U.S. dollars or Singapore dollars, as the case may be, on the due date at the U.S. Dollar Equivalent or the Singapore Dollar Equivalent, respectively, of any such Renminbi denominated amount.

Investment in the RMB Covered Bonds is subject to interest rate risks.

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions.

As RMB Covered Bonds may carry a fixed interest rate, the trading price of the RMB Covered Bonds in markets outside the PRC will consequently vary with the fluctuations in the Renminbi interest rates in the PRC. If holders of the RMB Covered Bonds propose to sell their RMB Covered Bonds before their maturity, they may receive an offer lower than the amount they have invested.

Payments in respect of RMB Covered Bonds will only be made to investors in the manner specified in such RMB Covered Bonds.

All payments to investors in respect of RMB Covered Bonds will be made solely:

- (i) when RMB Covered Bonds are represented by global certificates, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore, as the case may be, in accordance with prevailing Euroclear rules, Clearstream rules, CDP rules or CMU Rules and procedures, as the case may be; or
- (ii) when RMB Covered Bonds are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore in accordance with prevailing rules and regulations.

In the event that a holder of RMB Covered Bonds fails to maintain a valid Renminbi account with a bank in Hong Kong or Singapore, as the case may be, and, accordingly, payments are unsuccessful, it is possible that such amounts may be settled in a currency other than Renminbi. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Gains on the transfer of the RMB Covered Bonds may become subject to income taxes under PRC tax laws.

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of RMB Covered Bonds by non-PRC resident enterprise or individual Covered Bondholders may be subject to PRC enterprise income tax (“EIT”) or PRC individual income tax (“IIT”) if such gain is income derived from sources within the PRC. However, uncertainty remains as to whether the gain realised from the transfer of RMB Covered Bonds by non-PRC resident enterprise or individual Covered Bondholders would be treated as income derived from sources within the PRC and subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Covered Bondholders who are residents of Hong Kong, including enterprise Covered Bondholders and individual Covered Bondholders, will not be subject to the PRC EIT or IIT on capital gains derived from a sale or exchange of the Covered Bonds.

Therefore, if non-PRC enterprise or individual resident Covered Bondholders are required to pay PRC income tax on gains derived from the transfer of RMB Covered Bonds (such EIT is currently levied at the rate of 10 per cent. (10%) of gains realised and such IIT is currently levied at the rate of 20 per cent. (20%) of gains realised (with deduction of reasonable expenses), unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of RMB Covered Bonds reside that reduces or exempts the relevant EIT or IIT), the value of their investment in RMB Covered Bonds may be materially and adversely affected.

In the event that the Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

TERMS AND CONDITIONS OF THE COVERED BONDS

The following is the text of the terms and conditions (the “Conditions”) that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Covered Bonds in definitive form (if any) issued in exchange for the Global Covered Bond(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the applicable 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 Bearer Covered Bonds or on the Certificates relating to such Registered Covered Bonds. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement, the Trust Deed or the Master Definitions Agreement. Those definitions will be endorsed on the Definitive Covered Bonds or Certificates, as the case may be. References in the Conditions to “Covered Bonds” are to the Covered Bonds of one Series only, not to all Covered Bonds that may be issued under the Programme.

The Covered Bonds are constituted by a trust deed dated on or about 19 March 2024 (as amended or supplemented as at the date of issue of the Covered Bonds (the “**Issue Date**”), the “**Trust Deed**”) (and as may be further amended, restated, novated or supplemented) among Maybank Singapore Limited (the “**Issuer**”), Silver Fern Covered Bonds Pte. Ltd. as guarantor (the “**Covered Bond Guarantor**”), DB International Trust (Singapore) Limited as bond trustee for the Covered Bondholders (as defined below) (the “**Bond Trustee**”, which expression shall include all persons for the time being the bond trustee or bond trustees under the Trust Deed) and DB International Trust (Singapore) Limited as security trustee (the “**Security Trustee**”, which expression shall include all persons for the time being the security trustee or the security trustees) and, where applicable, the Covered Bonds which are specified in the applicable Pricing Supplement to be held in and cleared through The Central Depository (Pte) Limited (“**CDP**”) are issued with the benefit of a deed of covenant dated 19 March 2024 relating to the Covered Bonds executed by the Issuer (as amended, varied or supplemented from time to time, the “**CDP Deed of Covenant**”).

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 Covered Bonds, Certificates, Receipts, Coupons and Talons referred to below. The Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong as initial issuing and paying agent in relation to each Series of Covered Bonds to be cleared through Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”), Deutsche Bank AG, Singapore Branch as initial CDP paying agent in relation to each Series of Covered Bonds to be cleared through the computerised system (the “**CDP System**”) operated by CDP, Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong as initial CMU lodging and paying agent in relation to each Series of Covered Bonds to be cleared through Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU Service**”) and the other agents named therein have entered into an agency agreement dated on or about 19 March 2024 (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) (and as may be further amended, restated, novated or supplemented) in relation to the Covered Bonds. The issuing and paying agent, the CDP paying agent, the CMU lodging and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CDP Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the CDP Paying Agent and the CMU Lodging and Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**”, and, together, the “**Agent(s)**”. The Paying Agents, the CDP Paying Agent and the CMU Lodging and Paying Agent are referred to below, collectively as the “**Issuing and Paying Agent**”. For the purposes of these Conditions,

all references to the Issuing and Paying Agent shall, unless provided otherwise, with respect to a Series of Covered Bonds to be held in the CDP, be deemed to be a reference to the CDP Paying Agent and all such references shall be construed accordingly. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, unless provided otherwise, with respect to a Series of Covered Bonds to be held in the CMU Service, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed, the Agency Agreement and each other Transaction Document (as defined in the Master Definitions Agreement) are (i) available to Covered Bondholders free of charge during usual business hours from the principal office of the Bond Trustee (presently at One Raffles Quay, South Tower, Level 16, Singapore 048583) and from the specified offices of the Paying Agents and the Transfer Agent or (ii) available to Covered Bondholders electronically via e-mail, in each case, upon prior written notice and satisfactory proof of holding.

The Covered Bondholders, the holders of the interest coupons (the “**Coupons**”) relating to interest-bearing Covered Bonds in bearer form and, where applicable in the case of such Bearer Covered Bonds, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Bearer Covered Bonds of which the principal is payable in instalments (the “**Receiptholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, these Conditions, all the provisions of the Trust Deed and the applicable Pricing Supplement, the Agency Agreement and all other Transaction Documents. The Pricing Supplement for this Covered Bond (or the relevant provisions thereof) is attached to or endorsed on this Covered Bond. References to “**applicable Pricing Supplement**” are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on this Covered Bond.

As used in these Conditions, “**Tranche**” means Covered Bonds which are identical in all respects and “**Series**” means a series of Covered Bonds comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest (if applicable) and their issue price) have identical terms on issue and are expressed to have the same series number.

The Covered Bond Guarantor has, in the Trust Deed, irrevocably and unconditionally guaranteed the due and punctual payment of Guaranteed Amounts in respect of the Covered Bonds as and when the same shall become due for payment on certain dates in accordance with the Trust Deed (“**Due for Payment**”) following:

- (a) an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor; or
- (b) the occurrence of a CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice on the Issuer and the Covered Bond Guarantor.

The security for the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee has been created pursuant to, and on the terms set out in, a Singapore deed of charge dated on or about 19 March 2024 and a supplemental English law governed security trust deed dated on or about 19 March 2024 (such deeds as amended and/or supplemented and/or restated from time to time, the “**Deeds of Charge**”), each made among, inter alios, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee.

Capitalised terms used but not defined in these Conditions have the meanings given to them in, and any inconsistency shall be resolved in accordance with the following descending order of precedence:

- (i) the applicable Pricing Supplement; or
- (ii) the master definitions agreement dated on or about 19 March 2024 (as may be further amended, restated, novated or supplemented) among, inter alios, the Issuer, the Bond Trustee and the Security Trustee (the “**Master Definitions Agreement**”); or

(iii) the Trust Deed.

These Conditions shall be construed and interpreted in accordance with the principles of construction and interpretation set out in the Trust Deed.

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

1 Form, Denomination and Title

The Covered Bonds are issued in bearer form ("**Bearer Covered Bonds**") or in registered form ("**Registered Covered Bonds**"), in each case in the Specified Denomination(s) shown in the applicable Pricing Supplement.

*All Registered Covered Bonds of a Series shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, those Registered Covered Bonds 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 UK or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of at least GBP 100,000 (or its equivalent in other currencies). Covered Bonds which are listed on the Singapore Exchange Securities Trading Limited or any successor thereto (the "**SGX-ST**") will be traded on the SGX-ST in a minimum board lot size of SGD 200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. In the case of any Covered Bonds which are (i) to be admitted to trading on a regulated market within the European Economic Area ("**EEA**") or the United Kingdom (the "**UK**") or (ii) or offered to the public (x) in a Member State of the EEA in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129, or (y) in the UK in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, the minimum Specified Denomination shall be at least EUR 100,000 (or its equivalent in any other currency as at the date of issue of the relevant Covered Bonds).*

Each Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond, or a combination of any of the foregoing or any other kind of Covered Bond, depending upon the Interest and Redemption/Payment Basis specified in the applicable Pricing Supplement.

Bearer Covered Bonds are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Covered Bonds, in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Covered Bond the nominal amount of which is redeemable in instalments is issued with one or more Receipts attached.

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

Title to the Bearer Covered Bonds and to the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Covered Bonds shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar (the "**Register**"). The Issuer may appoint a registrar (the "**Alternative Registrar**") in accordance with the provisions of the Agency Agreement other than the Registrar in relation to any Series comprising Registered Covered Bonds. In these Conditions, "**Registrar**" includes, if applicable, in relation to any Series comprising Registered Covered Bonds, the Registrar or, as the case may be, the Alternative Registrar, as specified in the applicable Pricing Supplement. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Covered Bond, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or

on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Covered Bondholder**” means the bearer of any Bearer Covered Bond and the Receipts relating to it or the person in whose name a Registered Covered Bond is registered (as the case may be), “**holder**” (in relation to a Covered Bond, Receipt, Coupon or Talon) means the bearer of any Bearer Covered Bond, Receipt, Coupon or Talon or the person in whose name a Registered Covered Bond is registered (as the case may be) and capitalised terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Covered Bonds.

References in the Conditions to Coupons, Talons, Couponholders, Receipts and Receiptholders relate to Bearer Covered Bonds only.

2 No Exchange of Covered Bonds and Transfers of Registered Covered Bonds

- (a) **No Exchange of Covered Bonds:** Registered Covered Bonds may not be exchanged for Bearer Covered Bonds. Bearer Covered Bonds of one Specified Denomination may not be exchanged for Bearer Covered Bonds of another Specified Denomination. Bearer Covered Bonds may not be exchanged for Registered Covered Bonds.
- (b) **Transfer of Registered Covered Bonds:** One or more Registered Covered Bonds may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Covered Bonds 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 Transfer Agent may reasonably require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Registered Covered Bonds 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 Covered Bonds and entries on the Register will be made subject to the detailed regulations concerning transfers of Covered Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Bond Trustee, the Issuing and Paying Agent, (in the case of Covered Bonds cleared through the CMU) the CMU Lodging and Paying Agent, (in the case of CDP Covered Bonds) the CDP Paying Agent, the Transfer Agents and the relevant Registrar, which shall not be unreasonably withheld. A copy of the current regulations will be made available by the Registrar to any Covered Bondholder upon request.

Any transfer of interests in Covered Bonds evidenced by a Global Covered Bond or a Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Covered Bonds:** In the case of an exercise of an Issuer’s or Covered Bondholders’ option in respect of, or a partial redemption of, a holding of Registered Covered Bonds 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 Covered Bonds of the same holding having different terms, separate Certificates shall be issued in respect of those Covered Bonds 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 Transfer Agent. In the case of a transfer of Registered Covered Bonds to a person who is already

a holder of Registered Covered Bonds, 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) (Transfer of Registered Covered Bonds) or 2(c) (Exercise of Options or Partial Redemption in Respect of Registered Covered Bonds) shall be available for delivery within five business days of receipt of the request for exchange or 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 Transfer Agent or of the Registrar (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 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 relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Covered Bonds 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 or the Transfer Agents, but upon payment by the relevant Covered Bondholder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Covered Bondholder may require the transfer of a Registered Covered Bond to be registered:
 - (i) during the period of 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Covered Bond;
 - (ii) during the period of 15 days prior to any date on which Covered Bonds may be called for redemption by the Issuer at its option pursuant to Condition 5(d);
 - (iii) after any such Covered Bond has been called for redemption; or
 - (iv) during the period of seven days ending on (and including) any Record Date.

3 Status of the Covered Bonds; the Covered Bond Guarantee

- (a) **Status of Covered Bonds:** The Covered Bonds and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Covered Bonds and the Receipts and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all of its other present and future unsecured and unsubordinated indebtedness and monetary obligations.
- (b) **The Covered Bond Guarantee:**
 - (i) The Covered Bond Guarantor has irrevocably and unconditionally guaranteed the payment of the Guaranteed Amounts (as defined in the Trust Deed) (the “**Covered Bond Guarantee**”). However, the Covered Bond Guarantor shall have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until:

- (x) the occurrence of an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer and of a Notice to Pay on the Covered Bond Guarantor (copied to the Security Trustee); or
 - (y) the occurrence of a CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice on the Issuer and the Covered Bond Guarantor (copied to the Security Trustee).
- (ii) The obligations of the Covered Bond Guarantor in respect of the Covered Bond Guarantee are contained in the Trust Deed. Any payment made by the Covered Bond Guarantor under the Covered Bond Guarantee shall (unless such obligation shall have been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to Condition 9) to that extent discharge the obligations of the Issuer in respect of such payment under the Covered Bonds, Receipts and Coupons except where such payment by the Covered Bond Guarantor has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the Covered Bondholders.
 - (iii) As security for the Covered Bond Guarantor's obligations under the Covered Bond Guarantee and the other Transaction Documents to which it is a party, the Covered Bond Guarantor has granted fixed and floating security over all of its assets under the Deeds of Charge in favour of the Security Trustee (for itself and on behalf of the other Secured Creditors).

4 Interest and other Calculations

The amount payable in respect of the aggregate nominal amount of Covered Bonds represented by a Global Certificate or a Global Covered Bond (as the case may be) shall be calculated in accordance with the methods of calculation provided for in the Conditions and the applicable Pricing Supplement, save that the calculation is made in respect of the total aggregate amount of the Covered Bonds represented by a Global Certificate or a Global Covered Bond (as the case may be), together with such other sums and additional amounts (if any) as may be payable under the Conditions.

- (a) **Interest on Fixed Rate Covered Bonds:** Each Fixed Rate Covered Bond bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(g).
- (b) **Interest on Floating Rate Covered Bonds:**
 - (i) *Interest Payment Dates:* Each Floating Rate Covered Bond bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(g). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) *Business Day Convention*: If any 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:
 - (A) the Floating Rate 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:
 - (x) such date shall be brought forward to the immediately preceding Business Day; and
 - (y) 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;
 - (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day;
 - (C) 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
 - (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Covered Bonds*: The Rate of Interest in respect of Floating Rate Covered Bonds for each Interest Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.
 - (A) ISDA Determination for Floating Rate Covered Bonds

Where ISDA Determination is specified in the applicable Pricing Supplement 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 plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this paragraph (A), “**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:

 - (x) the Floating Rate Option is as specified in the applicable Pricing Supplement;
 - (y) if applicable, the Designated Maturity is a period specified in the applicable Pricing Supplement;
 - (z) if applicable, the relevant Reset Date is the first day of that Interest Period unless otherwise specified in the applicable Pricing Supplement; and
 - (aa) if applicable, the Overnight Rate Compounding Method and the applicable number of Business Days for Lookback, Observation Period Shift, or Lockout as specified in the applicable Pricing Supplement; and
 - (bb) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement as the applicable ISDA Definitions:
 - (1) Administrator/Benchmark Event shall be disappplied; and

- (2) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be “Temporary Non-Publication Fallback – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication Fallback – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

For the purposes of this paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Overnight Rate Compounding Method**”, “**Lookback**”, “**Observation Period Shift**”, “**Lockout**”, “**Reset Date**”, “**Swap Transaction**”, “**Administrator/Benchmark Event**” and “**Temporary Non-Publication Fallback**” have the meanings given to those terms in the ISDA Definitions.

- (B) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is not specified as being SORA Benchmark, SONIA Benchmark or SOFR Benchmark

- (x) Where Screen Rate Determination is specified in the applicable Pricing Supplement 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 (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) 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 (or any successor or replacement page on that service which displays the information) as at 11:00 a.m. (Brussels time, in the case of EURIBOR, or Hong Kong time, in the case of HIBOR) (in each case, the “**Specified Time**”) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all 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 (rounded as provided above) of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Covered Bonds is specified in the applicable Pricing Supplement as being other than EURIBOR or HIBOR, the Rate of Interest in respect of such Covered Bonds will be determined as provided in the applicable Pricing Supplement;

- (y) If the Relevant Screen Page is not available or if, in the case of sub-paragraph (x)(i) above, no such offered quotation appears or if, in the case of sub-paragraph (x)(ii) above, fewer than three offered quotations appear, in each case as at the Specified Time, the Issuer (or an Independent Adviser appointed by it) shall request each of the Reference Banks to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a

percentage rate per annum) for the Reference Rate at the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as notified to and determined by the Calculation Agent, in consultation with the Issuer; and

- (z) If on any Interest Determination Date one only or none of the Reference Banks provides the Issuer (or an Independent Adviser appointed by it) with an offered quotation as provided in the preceding paragraph (y), the Rate of Interest for the relevant Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer (or an Independent Adviser appointed by it) by the Reference Banks or any two or more of them, at which such banks were offered, at the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone interbank market (if the Reference Rate is EURIBOR) or the Hong Kong interbank market (if the Reference Rate is HIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Issuer (or an Independent Adviser appointed by it) it is quoting to leading banks in the Euro-zone interbank market (if the Reference Rate is EURIBOR), the Hong Kong interbank market (if the Reference Rate is HIBOR) plus or minus (as appropriate) the Margin (if any), 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 is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).
- (C) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is specified as being SORA Benchmark

For each Floating Rate Covered Bond where the Reference Rate is specified as being SORA Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SORA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

The “**SORA Benchmark**” will be determined based on Compounded Daily SORA or Compounded Index SORA, as follows (subject in each case to Condition 4(j)(iii)):

- (x) If Compounded Daily SORA (“**Compounded Daily SORA**”) is specified in the applicable Pricing Supplement, Compounded Daily SORA shall be calculated by the Calculation Agent, in consultation with the Issuer, on the relevant Interest Determination Date in accordance with one of the formulas referenced below depending upon which is specified in the applicable Pricing Supplement:

- (1) Where “SORA Observation Lag” is specified as the calculation method in the applicable Pricing Supplement:

“**Compounded Daily SORA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_{t-x\text{ SBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the relevant Pricing Supplement;

“**n_i**”, for any Singapore Business Day “**i**”, is the number of calendar days from and including such Singapore Business Day “**i**” up to but excluding the following Singapore Business Day;

“**Observation Period**” means, for the relevant Interest Period, the period from, and including, the date falling “**x**” Singapore Business Days, prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “**x**” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “**x**” Singapore Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

“Singapore Business Days” or “SBD” means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA” means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such Singapore Business Day “i”;

“SORA_{i - x SBD}” means, in respect of any Singapore Business Day “i” falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling “x” Singapore Business Days prior to the relevant Singapore Business Day “i”; and

“x” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

- (2) Where “SORA Observation Shift” is specified as the calculation method in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” is the number of calendar days in the relevant Observation Period;

“d_o”, for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

“i”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) after the end of each Observation Period;

“ n_i ”, for any Singapore Business Day “ i ”, is the number of calendar days from and including such Singapore Business Day “ i ” up to but excluding the following Singapore Business Day;

“Observation Period” means, for the relevant Interest Period, the period from, and including, the date falling “ x ” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “ x ” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “ x ” Singapore Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

“Singapore Business Days” or **“SBD”** means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA” means, in respect of any Singapore Business Day “ i ”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such Singapore Business Day “ i ”;

“SORA _{i} ” means, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day;

“ x ” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

- (3) Where “SORA Payment Delay” is specified as the calculation method in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-

thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to **d_o**, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Interest Period, provided that the Interest Determination Date with respect to the final Interest Period will be the SORA Rate Cut-Off Date;

“**Interest Payment Date**” shall, unless otherwise specified in the applicable Pricing Supplement, be the date falling the number of Business Days equal to the Interest Payment Delay Days following each Interest Payment Date; provided that (i) the Interest Payment Date with respect to the Interest Period ending on the Maturity Date will be the Maturity Date, (ii) the Interest Payment Date with respect to any Interest Period ending on the Extended Due for Payment Date in respect of a Series of Covered Bonds which are subject to an Extended Due for Payment Date (as specified in the applicable Pricing Supplement) will be the Extended Due for Payment Date or, (iii) if the Issuer elects to redeem the Covered Bonds prior to the Maturity Date or, if applicable, the Extended Due for Payment Date, the Interest Payment Date will be the relevant redemption date;

“**Interest Payment Delay Days**” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

“**n_i**”, for any Singapore Business Day “**i**”, is the number of calendar days from and including such Singapore Business Day “**i**” up to but excluding the following Singapore Business Day;

“**Singapore Business Days**” or “**SBD**” means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “**i**”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary

Authority of Singapore's website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day "i";

"SORA_i" means, in respect of any Singapore Business Day "i" falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day;

"SORA Rate Cut-Off Date" means the date falling "x" Singapore Business Days prior to the end of each Interest Period, the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement; and

"x" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

For the purposes of calculating Compounded Daily SORA with respect to the Interest Period ending on the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement), or the redemption date, the level of SORA for each Singapore Business Day in the period from (and including) the SORA Rate Cut-Off Date to (but excluding) the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, shall be the level of SORA in respect of such SORA Rate Cut-Off Date.

- (4) Where "SORA Lockout" is specified as the calculation method in the applicable Pricing Supplement:

"Compounded Daily SORA" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"d" is the number of calendar days in the relevant Interest Period;

"d_o", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“i”, for the relevant Interest Period, is a series of whole numbers from one to do, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“Interest Determination Date” means the Singapore Business Day immediately following the SORA Rate Cut-Off Date, unless otherwise specified in the relevant Pricing Supplement;

“n_i”, for any Singapore Business Day “i”, is the number of calendar days from and including such Singapore Business Day “i” up to but excluding the following Singapore Business Day;

“Singapore Business Days” or **“SBD”** means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA” means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such Singapore Business Day “i”;

“SORA_i” means, in respect of any Singapore Business Day “i” falling in the relevant Interest Period: (A) if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day, and (B) if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the **“Suspension Period SORA_i”**) (such first day of the Suspension Period coinciding with the SORA Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period SORA_i shall apply to each day falling in the relevant Suspension Period;

“SORA Rate Cut-Off Date” means, with respect to a Rate of Interest and Interest Period, the date falling “x” Singapore Business Days prior to the end of each Interest Period, the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement (or the date falling “x” Singapore Business Days prior to such date, if any, on which the Covered Bonds become due and payable);

“SORA Reset Date” means, in relation to any Interest Period, each Singapore Business Day during such Interest Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Interest Period;

“Suspension Period” means, in relation to any Interest Period, the period from (and including) the date falling “x” Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period or such other date specified in the applicable Pricing Supplement (such Singapore Business Day coinciding with the SORA Rate Cut-Off Date) to (but excluding) the Interest Payment Date of such Interest Period; and

“x” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

- (y) For each Floating Rate Covered Bond where the Reference Rate is specified as being Compounded Index SORA, Compounded Index SORA shall be calculated by the Calculation Agent, in consultation with the Issuer, on the relevant Interest Determination Date in accordance with the formula referenced below:

“Compounded Index SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the relevant Pricing Supplement), in consultation with the Issuer, on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left(\frac{SORA Index_{End}}{SORA Index_{Start}} - 1 \right) \times \left(\frac{365}{d} \right)$$

where:

“d” means the number of calendar days in the relevant Observation Period;

“Observation Period” means, for the relevant Interest Period, the period from (and including) the date falling “x” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling “x” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “x” Singapore Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

“Singapore Business Days” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA Index Value” means, with respect to any Singapore Business Day:

- (i) the value of the index known as the “SORA Index” administered by the Monetary Authority of Singapore (or any successor administrator thereof) as published by the Monetary Authority of Singapore (or any successor administrator) on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on such Singapore Business

Day provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Monetary Authority of Singapore, as the administrator of SORA (or any successor administrator of SORA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SORA Index Value in relation to such Singapore Business Day; or

- (ii) if the index in sub-paragraph (i) is not published or displayed by the administrator of SORA or other information service on the relevant Interest Determination Date as specified in the relevant Pricing Supplement, the Reference Rate for the applicable Interest Period for which the index is not available shall be Compounded Daily SORA, and for these purposes, the Observation Method shall be deemed to be “SORA Observation Shift” as if Index Determination had been specified as being “Not Applicable” and these alternative elections had been made;

“**SORA Index_{End}**” means the SORA Index Value on the Singapore Business Day falling “x” Singapore Business Days preceding:

- (i) the Interest Payment Date for the relevant Interest Period,
- (ii) in the final Interest Period, the Maturity Date (in the case of a final Interest Period ending on the Maturity Date) or the Extended Due for Payment Date (in the case of a final Interest Period ending on the Extended Due for Payment Date), or
- (iii) the date on which the relevant Series of Covered Bonds becomes due and payable;

“**SORA Index_{Start}**” means the SORA Index Value on the Singapore Business Day falling “x” Singapore Business Days before the first date of the relevant Interest Period; and

“**x**” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

- (z) If, subject to Condition 4(j), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such Singapore Business Day “i”, SORA in respect of such Singapore Business Day “i” has not been published and a SORA Index Cessation Event has not occurred, then SORA for that Singapore Business Day “i” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.
- (aa) If the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, subject to Condition 4(j)(iii), the Rate of Interest shall be:
 - (i) that 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 (as specified in the applicable Pricing Supplement) 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); or

- (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).
- (bb) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Covered Bonds became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bond remains outstanding, be that determined on such date.
- (D) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is specified as being SONIA Benchmark

For each Floating Rate Covered Bond where the Reference Rate is specified as being SONIA Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SONIA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

The “**SONIA Benchmark**” will be determined based on Compounded Daily SONIA or SONIA Index Average, as follows (subject in each case to Condition 4(j)(i)):

- (x) If Compounded Daily SONIA is specified in the applicable Pricing Supplement, Compounded Daily SONIA shall be calculated by the Calculation Agent, in consultation with the Issuer, on the relevant Interest Determination Date in accordance with the formula referenced below:

“**Compounded Daily SONIA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average (“**SONIA**”) as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“Applicable Period” means, in relation to an Interest Period:

- (x) where “SONIA Observation Lag” or “SONIA Lockout” is specified as the SONIA Observation Method in the applicable Pricing Supplement, such Interest Period; or
- (y) where “SONIA Observation Shift” is specified as the SONIA Observation Method in the applicable Pricing Supplement, the SONIA Observation Period relating to such Interest Period;

“d” means the number of calendar days in the relevant Applicable Period;

“d₀” means, for the relevant Applicable Period, the number of London Business Days in such Applicable Period:

“i” means, for the relevant Applicable Period, a series of whole numbers from one to d₀, each representing the relevant London Business Day in chronological order from (and including) the first London Business Day in such Applicable Period;

“London Business Day” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“n_i”, for any London Business Day “i”, means the number of calendar days from and including such London Business Day “i” up to but excluding the following London Business Day;

“Non-Reset Date” means each London Business Day “i” in an Applicable Period which falls on or after the SONIA Rate Cut-Off Date (if any);

“SONIA_i” means, in respect of any London Business Day “i” in the Applicable Period, the SONIA Reference Rate for the SONIA Determination Date in relation to such London Business Day “i”, provided that where “SONIA Lockout” is specified as the SONIA Observation Method, SONIA_i in respect of each Non-Reset Date (if any) in an Applicable Period shall be SONIA_i as determined in relation to the SONIA Rate Cut-Off Date;

“SONIA Determination Date” means, in respect of any London Business Day “i”,

- (x) where “SONIA Observation Lag” is specified as the SONIA Observation Method in the applicable Pricing Supplement, the London Business Day falling “x” London Business Days prior to such London Business Day “i”; and
- (y) otherwise, such London Business Day “i”;

“SONIA Observation Period” means, for the relevant Interest Period, the period from (and including) the date falling “x” London Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date falling “x” London Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “x” London Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

“SONIA Rate Cut-Off Date” means:

- (x) (where “SONIA Lockout” is specified as the SONIA Observation Method in the applicable Pricing Supplement) in relation to any Interest Period, the date falling “x” London Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (or the date falling “x” London Business Days prior to such earlier date if any, on which the Covered Bonds become due and payable); and
- (y) in any other circumstances, no SONIA Rate Cut-Off Date shall apply;

“SONIA Reference Rate” means, in respect of any London Business Day, a reference rate equal to the daily SONIA rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Business Day immediately following such London Business Day); and

“x” means five London Business Days (or such other number of London Business Days as specified in the applicable Pricing Supplement).

- (y) If SONIA Index Average (**“SONIA Index Average”**) is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Period (with the daily SONIA rate as reference rate for the calculation of interest) as will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), in consultation with the Issuer, on the relevant Interest Determination Date as follows, and the resulting percentage being rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left(\frac{\text{SONIA Compounded Index}_{END}}{\text{SONIA Compounded Index}_{START}} - 1 \right) \times \left(\frac{365}{d} \right)$$

provided, however, that subject to Condition 4(j)(i), if the SONIA Compounded Index Value is not available in relation to any Interest Period on the Relevant Screen Page for the determination of either SONIA Compounded Index_{START} or SONIA Compounded Index_{END}, the Rate of Interest shall be calculated for such Interest Period on the basis of Compounded Daily SONIA (as set out in Condition 4(b)(iii)(D)(x)) and where “SONIA Observation Shift” is specified as the SONIA Observation Method.

Where:

“d” means the number of calendar days in the relevant SONIA Observation Period;

“London Business Day”, means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“SONIA Observation Period” means, in respect of an Interest Period, the period from and including the date falling “x” London Business Days prior to the first day of such Interest Period and ending on (but excluding) the date which

is “x” London Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “x” London Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

“**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

“**SONIA Compounded Index_{START}**” means the SONIA Compounded Index Value on the date which is “x” London Business Days preceding the first day of the relevant Interest Period (or in the first Interest Period, the Issue Date);

“**SONIA Compounded Index_{END}**” means the SONIA Compounded Index Value on the date which is “x” London Business Days preceding:

- (i) the Interest Payment Date for the relevant Interest Period,
- (ii) in the final Interest Period, the Maturity Date (in the case of a final Interest Period ending on the Maturity Date) or the Extended Due for Payment Date (in the case of a final Interest Period ending on the Extended Due for Payment Date), or
- (iii) the date on which the relevant Series of Covered Bonds becomes due and payable;

“**SONIA Compounded Index Value**” means in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at <https://www.bankofengland.co.uk/boeapps/database/> (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on the next following London Business Day, provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Bank of England, as the administrator of SONIA (or any successor administrator of SONIA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SONIA Compounded Index Value in relation to such London Business Day; and

“**x**” means, for any Interest Period, five London Business Days (or such other number of London Business Days as specified in the applicable Pricing Supplement).

- (z) If, subject to Condition 4(j)(i), in respect of any London Business Day in the relevant Applicable Period, the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be:
 - (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus
 - (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one

highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, and without prejudice to Condition 4(j)(i), in the event the Bank of England publishes guidance as to:

- (aa) how the SONIA Reference Rate is to be determined; or
- (bb) any rate that is to replace the SONIA Reference Rate,

the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest as specified in the applicable Pricing Supplement, and in consultation with the Issuer) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA Reference Rate for the purpose of the relevant Series of Covered Bonds for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

- (aa) If the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(j)(i), the Rate of Interest shall be:
 - (i) that 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 (as specified in the applicable Pricing Supplement) 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); or
 - (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).
 - (bb) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Covered Bonds became due and payable (with corresponding adjustments being deemed to be made to the applicable SONIA Benchmark formula) and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bond remains outstanding, be that determined on such date.
- (E) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is specified as being SOFR Benchmark

For each Floating Rate Covered Bond where the Reference Rate is specified as being SOFR Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent, in consultation with the Issuer, on the relevant Interest Determination Date.

The “**SOFR Benchmark**” will be determined based on Compounded Daily SOFR or SOFR Compounded Index, as follows (subject in each case to Condition 4(j)(ii)):

(x) If Compounded Daily SOFR (“**Compounded Daily SOFR**”) is specified in the applicable Pricing Supplement, Compounded Daily SOFR shall be calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the relevant formula referenced below (to be specified in the applicable Pricing Supplement):

(i) Where “SOFR Observation Lag” is specified as the calculation method in the applicable Pricing Supplement:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_{i-\times USBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

and the resulting percentage being rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards, where:

“**d**” means the number of calendar days in the relevant Interest Period;

“**d_o**” for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a “**U.S. Government Securities Business Day(i)**”);

“**Lookback Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

“**n_i**” for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling the number of Lookback Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to (but excluding) the date falling the number of Lookback Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling the number of Lookback Days prior to such earlier date, if any, on which the Covered Bonds become due and payable); and

“**SOFR_{i-xUSBD}**” for any U.S. Government Securities Business Day(i) in the relevant Interest Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day(i).

- (ii) Where “SOFR Observation Shift” is specified as the calculation method in the applicable Pricing Supplement:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

and the resulting percentage being rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards, where:

“**d**” means the number of calendar days in the relevant SOFR Observation Period;

“**d_o**” for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

“**i**”, for the relevant Interest Period, means a series of whole numbers ascending from one to d_o, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a “**U.S. Government Securities Business Day(i)**”);

“**n_i**” for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling the number of SOFR Observation Shift Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

“**SOFR Observation Shift Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement); and

“**SOFR_i**” for any U.S. Government Securities Business Day(i) in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i).

- (iii) Where “SOFR Payment Delay” is specified as the calculation method in the applicable Pricing Supplement:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

and the resulting percentage being rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards, where:

“**d**” means the number of calendar days in the relevant Interest Period;

“**d_o**” for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, means a series of whole numbers ascending from one to **d_o**, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a “**U.S. Government Securities Business Day(i)**”);

“**Interest Payment Date**” shall, unless otherwise specified in the applicable Pricing Supplement, be the date falling the number of Business Days equal to the Interest Payment Delay Days following each Interest Payment Date; provided that (i) the Interest Payment Date with respect to the final Interest Period ending on the Maturity Date will be the Maturity Date, (ii) the Interest Payment Date with respect to any Interest Period ending on the Extended Due for Payment Date in respect of a Series of Covered Bonds which are subject to an Extended Due for Payment Date (as specified in the applicable Pricing Supplement) will be the Extended Due for Payment Date, or (iii) if the Issuer elects to redeem the Covered Bonds prior to the Maturity Date or, if applicable, the Extended Due for Payment Date, the Interest Payment Date will be the relevant redemption date;

“**Interest Payment Delay Days**” means five U.S. Government Securities Business Days or the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;

“**n_i**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day;

“**SOFR_i**” for any U.S. Government Securities Business Day(i) in the relevant Interest Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i); and

“**SOFR Rate Cut-Off Date**” means the date that is a number of U.S. Government Securities Business Days prior to the end of each Interest Period, the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement.

For the purposes of calculating Compounded Daily SOFR with respect to the Interest Period ending on the Maturity Date, the Extended Due for

Payment Date (where specified as applicable in the relevant Pricing Supplement), or the redemption date, the level of SOFR for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

- (iv) Where “SOFR Lockout” is specified as the calculation method in the applicable Pricing Supplement:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

and the resulting percentage being rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards, where:

“**d**” means the number of calendar days in the relevant Interest Period;

“**d_o**” for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a “**U.S. Government Securities Business Day(i)**”);

“**n_i**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day;

“**SOFR_i**” for any U.S. Government Securities Business Day(i) in the relevant Interest Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i), except that the SOFR_i for any U.S. Government Securities Business Day(i) in respect of the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Period Date for such Interest Period shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date; and

“**SOFR Rate Cut-Off Date**” means the date falling five U.S. Government Securities Business Days prior to the end of each Interest Period, the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement (or the date falling “x” U.S. Government Securities Business Days prior to such date, if any, on which the Covered Bonds become due and payable).

In connection with the SOFR provisions set out in this Condition 4(b)(iii)(E)(x), the following definitions apply:

“Bloomberg Screen SOFRRATE Page” means the Bloomberg screen designated “SOFRRATE” or any successor page or service;

“Reuters Page USDSOFR=” means the Reuters page designated “USDSOFR=” or any successor page or service;

“SOFR” means, with respect to any U.S. Government Securities Business Day, the rate determined by the Calculation Agent in accordance with the following provision:

- (i) the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Bloomberg Screen SOFRRATE Page, the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Reuters Page USDSOFR=, or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website and in the event of any inconsistency between any of these published rates, the rate shall be the published rate as selected by the Calculation Agent in consultation with the Issuer;
- (ii) if the rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (iii) if the rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(j)(ii) shall apply;

“SOFR Determination Time” means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

- (y) If SOFR Compounded Index (**“SOFR Compounded Index”**) is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the value of the average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left(\frac{360}{d_c} \right)$$

and the resulting percentage being rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards, where:

“d_c” means the number of calendar days in the applicable SOFR Observation Period;

“SOFR Index” means, in relation to any U.S. Government Securities Business Day:

- (i) the SOFR Index as published on the SOFR Administrator’s Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, provided that, in the event that the value

originally published is subsequently corrected and such corrected value appears on the Federal Reserve Bank of New York's Website on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SOFR Index in relation to such U.S. Government Securities Business Day; or

- (ii) if the index in paragraph (i) is not published or displayed by the administrator of the SOFR rate or other information service on the relevant Interest Determination Date as specified in the applicable Pricing Supplement, the "SOFR Compounded Index" shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SOFR formula described above in Condition 4(b)(iii)(E)(x)(ii) "SOFR Observation Shift", and the term "SOFR Observation Shift Days" shall mean such number of U.S. Government Securities Business Days preceding the first date of a relevant Interest Period as is used for the purposes of the definition of "**SOFR Index_{Start}**" and "**SOFR Index_{End}**"; or
- (iii) if a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(j)(ii) shall apply;

"SOFR Index_{End}" means, in respect of an Interest Period, the SOFR Index value on the date falling the number of SOFR Observation Shift Days prior to:

- (i) the Interest Payment Date for the relevant Interest Period,
- (ii) in the final Interest Period, the Maturity Date (in the case of a final Interest Period ending on the Maturity Date) or the Extended Due for Payment Date (in the case of a final Interest Period ending on the Extended Due for Payment Date), or
- (iii) the date on which the relevant Series of Covered Bonds becomes due and payable;

"SOFR Index_{Start}" means, in respect of an Interest Period, the SOFR Index value on the date falling the number of SOFR Observation Shift Days prior to the first date of the relevant Interest Period; and

"SOFR Index Determination Time" means, in relation to any U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

"SOFR Observation Period" means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date for such Interest Period (or in the final Interest Period, the Maturity Date); and

"SOFR Observation Shift Days" means five U.S. Government Securities Business Days (or the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement).

The following terms shall have the meanings set out below for the purpose of this Condition 4(b)(iii)(E):

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York (currently, being <https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), or any successor source;

“SOFR Benchmark Replacement Date” means the date of occurrence of a Benchmark Replacement Event with respect to the then-current SOFR Benchmark; and

“SOFR Benchmark Transition Event” means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark.

- (z) If the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(j)(ii), the Rate of Interest shall be:
 - (I) that 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 (as specified in the applicable Pricing Supplement) 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); or
 - (II) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).
- (aa) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Covered Bonds became due and payable (with corresponding adjustments being deemed to be made to the applicable SOFR Benchmark formula) and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bond remains outstanding, be that determined on such date.
- (c) **Zero Coupon Covered Bonds:** Where a Covered Bond 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 Covered Bond. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Covered Bond shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(b)(i)(B)).
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Covered Bond on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which

event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).

- (e) **Interest following a Notice to Pay:** If a Notice to Pay or a CBG Acceleration Notice is served on the Covered Bond Guarantor, the Covered Bond Guarantor shall, in accordance with the terms of the Covered Bond Guarantee, pay Guaranteed Amounts corresponding to the amounts of interest described under this Condition 4 (as the case may be) under the Covered Bond Guarantee in respect of the Covered Bonds on the Original Due for Payment Dates and, if applicable, the Extended Due for Payment Date.
- (f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
 - (i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Periods, in the case of (y), calculated in accordance with Condition 4(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
 - (ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest, Instalment Amount or Redemption Amount 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), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the fifth decimal place (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) 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 Japanese yen, which shall be rounded down to the nearest Japanese yen. For these purposes, “unit” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (g) **Calculations:** The amount of interest payable per calculation amount specified in the applicable Pricing Supplement (or, if no such amount is so specified, the Specified Denomination) (the “**Calculation Amount**”) in respect of any Covered Bond for any Interest Period shall be equal to the product of the Rate of Interest, the Calculation Amount, and the Day Count Fraction for such Interest Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Period, in which case the amount of interest payable per Calculation Amount in respect of such Covered Bond for such Interest Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, in consultation with the Issuer, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Period,

calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Bond Trustee, the Issuer, each of the Paying Agents, the Covered Bondholders, any other Calculation Agent appointed in respect of the Covered Bonds that is to make a further calculation upon receipt of such information and, if the Covered Bonds are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than:

- (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount; or
- (ii) in all other cases, the fourth Business Day after such determination.

Where any Interest Payment Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published 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. If the Covered Bonds become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Covered Bonds shall nevertheless continue to be calculated as previously in accordance with this Condition 4(h) but no publication of the Rate of Interest or the Interest Amount so calculated need to be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) in consultation with the Issuer shall (in the absence of manifest error) be final and binding upon all parties.

- (i) **Determination or Calculation by an agent of the Issuer:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Issuer shall appoint an agent on its behalf to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall, in consultation with the Issuer, apply the foregoing provisions of this Condition, 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. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by such agent in consultation with the Issuer pursuant to this Condition 4(i) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Benchmark Discontinuation**

- (i) Benchmark Discontinuation (General)

Notwithstanding the provisions above in this Condition 4, where the Pricing Supplement specifies this Condition 4(j)(i) as applicable:

(A) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer may appoint and consult with an Independent Adviser with a view to the Issuer determining a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(j)(i)(B)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(j)(i)(C)) and any Benchmark Amendments (in accordance with Condition 4(j)(i)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(j)(i) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Bond Trustee, the Security Trustee, the Paying Agents, or the Covered Bondholders for any determination made by it, pursuant to this Condition 4(j)(i).

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 4(j)(i)(A) prior to the date which is 10 Business Days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Covered Bonds in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the Series of Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. 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 shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(j)(i)(A).

(B) Successor Rate or Alternative Rate

If the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to any applicable adjustment as provided in Condition 4(j)(i)(C)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Covered Bonds (subject to the operation of this Condition 4(j)(i)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Covered Bonds (subject to the operation of this Condition 4(j)(i)).

(C) Adjustment Spread

If the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), determines (i) that an Adjustment Spread is required

to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining the Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(j)(i) and the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), determines:

- (i) that amendments to these Conditions and/or the Trust Deed and/or the other Transaction Documents are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and
- (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(j)(i)(E), without any requirement for the consent or approval of Covered Bondholders, the Bond Trustee, the Security Trustee or the Agents or any other party, vary these Conditions and/or the Trust Deed and/or the other Transaction Documents to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Bond Trustee and the Security Trustee of a certificate signed by one authorised signatory of the Issuer pursuant to Condition 4(j)(i)(E), the Bond Trustee and the Security Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Bond Trustee and the Security Trustee shall not be obliged so to concur if in the opinion of the Bond Trustee or the Security Trustee doing so would impose more onerous obligations upon them or expose them to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bond Trustee and the Security Trustee in these Conditions or the Trust Deed or any of the other Transaction Documents (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Bond Trustee, the Security Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement, other Transaction Documents and these Conditions as may be required in order to give effect to this Condition 4(j)(i)(D). Covered Bondholders’ consent shall not be required in connection with the effecting of the Benchmark Amendment or such other changes, including the execution of any documents or any steps by the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars, the Transfer Agents or the Issuing and Paying Agent (if required). Further, none of the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any

Benchmark Amendment or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(j)(i)(D), the Issuer shall comply with the rules of any stock exchange on which the Covered Bonds are for the time being listed or admitted to trading.

(E) Notices

The occurrence of a Benchmark Event shall be determined by the Issuer and any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(j)(i) will be notified promptly by the Issuer to the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 15, the Covered Bondholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any. For the avoidance of doubt, neither the Bond Trustee, the Security Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

No later than notifying the Covered Bondholders of the same, the Issuer shall deliver to the Bond Trustee, the Paying Agents and the Calculation Agent a certificate signed by one authorised signatory of the Issuer:

(i) confirming:

- (i) that a Benchmark Event has occurred;
- (ii) the Successor Rate or, as the case may be, the Alternative Rate;
- (iii) the applicable Adjustment Spread; and
- (iv) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(j)(i); and

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Bond Trustee and the Security Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Bond Trustee's or the Security Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Covered Bondholders and Couponholders.

Notwithstanding any other provision of this Condition 4(j)(i)(E), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Bond Trustee or the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under Condition 4(j)(i)(D), the Bond Trustee or the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Bond Trustee and the Calculation Agent in writing as to which alternative

course of action to adopt. If the Bond Trustee and the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Bond Trustee and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(j)(i)(A), 4(j)(i)(B), 4(j)(i)(C) and 4(j)(i)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) or (D), as applicable, will continue to apply unless and until a Benchmark Event has occurred.

(G) Definitions

As used in this Condition 4(j)(i):

“Adjustment Spread” means either:

- (i) a spread (which may be positive, negative or zero); or
- (ii) a formula or methodology for calculating a spread, in either case, which the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
 - (x) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
 - (y) (if no such recommendation has been made, or in the case of an Alternative Rate) the Issuer determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
 - (z) (if the Issuer determines, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), that no such spread is customarily applied) the Issuer determines to be recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
 - (aa) (if the Issuer determines, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), that no such industry standard is customarily applied) the Issuer determines to be appropriate.

“Alternative Rate” means an alternative benchmark or screen rate which the Issuer determines in accordance with Condition 4(j)(i)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Covered Bonds;

“Benchmark Amendments” has the meaning given to it in Condition 4(j)(i)(D);

“Benchmark Event” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate (or such component) that it has ceased or that it will, cease publishing the Original Reference Rate (or such component) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate (or such component)); or
- (iii) the first public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate (or such component) has been or will, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate (or such component) will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or
- (v) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate (or such component) is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Covered Bondholder using the Original Reference Rate (or such component),

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement;

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under Condition 4(j)(i)(A);

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) in the Pricing Supplement (other than SOFR or SORA) used to determine the Rate of Interest (or any component part thereof) on the Covered Bonds;

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
 - (w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
 - (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
 - (y) a group of the aforementioned central banks or other supervisory authorities; or
 - (z) the Financial Stability Board or any part thereof; and

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(ii) Benchmark Discontinuation (SOFR)

This Condition 4(j)(ii) shall only apply to U.S. dollar-denominated Covered Bonds where so specified in the relevant Pricing Supplement.

Notwithstanding the provisions above in this Condition 4, where the Pricing Supplement specifies this Condition 4(j)(ii) as applicable:

(A) Benchmark Replacement

If the Issuer or its designee determines that a Benchmark Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Covered Bonds in respect of such determinations on such date and for all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Bond Trustee, the Security Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, but subject to receipt by the Bond Trustee and the Security Trustee of a certificate signed by one authorised signatory of the Issuer confirming that a Benchmark Event has occurred, be obliged to concur with the Issuer in effecting such consequential amendments to the Trust Deed, the Agency Agreement, other Transaction Documents and these Conditions as may be required to give effect to this Condition 4(j)(ii)(B), provided that the Bond Trustee and the Security Trustee shall not be obliged so to concur if in the opinion of the Bond Trustee and the Security Trustee doing so would impose more onerous obligations upon them or expose them to any additional duties,

responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bond Trustee and the Security Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way. Covered Bondholders' consent shall not be required in connection with the effecting of the Benchmark Replacement Conforming Changes or such other changes, including the execution of any documents or any steps by the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars, the Transfer Agent or the Issuing and Paying Agent (if required). Further, none of the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(j)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection will be conclusive and binding absent manifest error, will be made in the sole discretion of the Issuer or its designee, as applicable and notwithstanding anything to the contrary in the documentation relating to the Covered Bonds, shall become effective without consent from Covered Bondholders, Couponholders, Receiptholders or any other party.

(D) Definitions

As used in this Condition 4(j)(ii):

"Benchmark" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement (or any daily published component used in the calculation thereof); provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then **"Benchmark"** means the applicable Benchmark Replacement;

"Benchmark Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a

resolution authority with jurisdiction over the administrator for the Benchmark (or such component) 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 (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the sum of:
 - (x) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
 - (y) the Benchmark Replacement Adjustment;
- (ii) the sum of:
 - (x) the ISDA Fallback Rate; and
 - (y) the Benchmark Replacement Adjustment; or
- (iii) the sum of:
 - (x) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated floating rate notes at such time; and
 - (y) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any

industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period”, timing and frequency of determining rates and making payments of interest, rounding of amounts and tenors and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (i) in the case of sub-clauses (i) or (ii) of the definition of “Benchmark Event,” the later of:
 - (x) the date of the public statement or publication of information referenced therein; and
 - (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-clause (iii) of the definition of “Benchmark Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“designee” means a designee as selected and separately appointed by the Issuer in writing, which may include an affiliate of the Issuer;

“ISDA Definitions” means 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time, including the 2021 ISDA Interest Rate Derivatives Definitions (as amended or supplemented from time to time);

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published

component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Reference Time” with respect to any determination of the Benchmark means:

- (i) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or the SOFR Index Determination Time (where SOFR Compounded Index is specified as applicable in the applicable Pricing Supplement); or
- (ii) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iii) Benchmark Discontinuation (SORA)

This Condition 4(j)(iii) shall only apply to Singapore dollar-denominated Covered Bonds where so specified in the relevant Pricing Supplement.

Notwithstanding the provisions above in this Condition 4, where the Pricing Supplement specifies this Condition 4(j)(iii) as applicable:

(A) Independent Adviser

If a SORA Index Cessation Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer may appoint and consult with an Independent Adviser, with a view to the Issuer determining a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(j)(iii)(B)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 4(j)(iii)(C)), and any Benchmark Amendments (in accordance with Condition 4(j)(iii)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(j)(iii) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Bond Trustee, the Security Trustee, the Issuing and Paying Agent, the Covered Bondholders or the Couponholders for any determination made by it, pursuant to this Condition 4(j)(iii).

If (1) the Issuer is unable to appoint an Independent Adviser; or (2) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate, in accordance with this Condition 4(j)(iii)(A) prior to the date which is 10 Business Days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Covered Bonds in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the

Series of Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. 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 shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(j)(iii)(A).

(B) Successor Rate or Alternative Rate

If the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), determines that:

- (1) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(j)(iii)(C)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Covered Bonds (subject to the subsequent operation of this Condition 4(j)(iii)); or
- (2) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided for in Condition 4(j)(iii)(C)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Covered Bonds (subject to the subsequent operation of this Condition 4(j)(iii)).

(C) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(j)(iii) and the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), determines that (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”), and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with

Condition 4(j)(iii)(E), without any requirement for the consent or approval of Covered Bondholders, the Bond Trustee, the Security Trustee or the Agents or any other party, vary these Conditions, the Trust Deed, the Agency Agreement and/or the other Transaction Documents to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Bond Trustee and the Security Trustee of a certificate signed by one authorised signatory of the Issuer pursuant to Condition 4(j)(iii)(E), the Bond Trustee and the Security Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), *provided that* the Bond Trustee and the Security Trustee shall not be obliged so to concur if in the opinion of the Bond Trustee or the Security Trustee doing so would impose more onerous obligations upon them or expose them to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bond Trustee and the Security Trustee in these Conditions or the Trust Deed or any of the other Transaction Documents (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Bond Trustee, the Security Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement, other Transaction Documents and these Conditions as may be required in order to give effect to this Condition 4(j)(iii)(D). Covered Bondholders' consent shall not be required in connection with the effecting of the Benchmark Amendment or such other changes, including the execution of any documents or any steps by the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars, the Issuing and Paying Agent or the Transfer Agents (if required). Further, none of the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or the Independent Adviser with respect to any Benchmark Amendment or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(j)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Covered Bonds are for the time being listed or admitted to trading.

(E) Notices etc.

The occurrence of a SORA Index Cessation Event shall be determined by the Issuer and any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(j)(iii) will be notified promptly by the Issuer to the Bond Trustee, the Security Trustee, the Calculation Agent, the Issuing and Paying Agent and, in accordance with Condition 15, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any. For the avoidance of doubt, neither the Bond Trustee, the Security Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

No later than notifying the Covered Bondholders of the same, the Issuer shall deliver to the Bond Trustee, and the Paying Agents and the Calculation Agent a certificate signed by one authorised signatory of the Issuer:

- (x) confirming:
 - (i) that a SORA Index Cessation Event has occurred;
 - (ii) the Benchmark Amendment; and
 - (iii) where applicable, any Adjustment Spread, and/or the specific terms of the Benchmark Amendments,in each case as determined in accordance with the provisions of this Condition 4(j)(iii); and
- (y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Amendment and/or Adjustment Spread.

The Bond Trustee and the Security Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate, the Alternative Rate, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, the Alternative Rate, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Bond Trustee's and the Security Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Covered Bondholders and the Couponholders.

Notwithstanding any other provision of this Condition 4(j)(iii)(E), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Bond Trustee or the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under Condition 4(j)(iii)(D), the Bond Trustee or the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Bond Trustee and the Calculation Agent in writing as to which alternative course of action to adopt. If the Bond Trustee and the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Bond Trustee and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Conditions 4(j)(iii)(A), 4(j)(iii)(B), 4(j)(iii)(C) and 4(j)(iii)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(C) will continue to apply unless and until the Calculation Agent has been notified of the Benchmark Amendment, and any applicable Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(j)(iii)(E).

(G) Definitions:

As used in this Condition 4(j)(iii):

“Adjustment Spread” means either a spread (which may be positive, negative or zero), or a formula or methodology for calculating a spread, in either case, which the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser) determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) (if no such recommendation has been made, or in the case of an Alternative Rate) the Issuer determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (iii) (if the Issuer determines, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser) that no such spread is customarily applied) the Issuer determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iv) (if the Issuer determines, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate (which may include consultation with the Independent Adviser), that no such industry standard is customarily applied) the Issuer determines to be appropriate.

“Alternative Rate” means an alternative benchmark or screen rate which the Issuer determines in accordance with Condition 4(j)(iii)(B) is customary in market usage in the international or, if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Covered Bonds.

“Benchmark Amendments” has the meaning given to it in Condition 4(j)(iii)(D).

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under Condition 4(j)(iii)(A).

“Original Reference Rate” means, initially, SORA (being the originally-specified benchmark rate in the Pricing Supplement used to determine SORA Benchmark and the Rate of Interest), provided that if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then “Original Reference Rate” means the applicable Successor Rate or Alternative Rate (as the case may be).

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (i) the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate); or
- (ii) any working group or committee officially sponsored or endorsed by, chaired or co-chaired by or constituted at the request of the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate).

“SORA Index Cessation Event” means the occurrence of one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or a successor administrator of the Original Reference Rate), the regulatory supervisor for the administrator of the Original Reference Rate, the central bank for the currency of the Original Reference Rate, an insolvency official with jurisdiction over the administrator of the Original Reference Rate, a resolution authority with jurisdiction over the administrator of the Original Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Original Reference Rate, announcing that the administrator of the Original Reference Rate has ceased or will cease to provide the Original Reference Rate permanently or indefinitely, and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate has been or will, be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (iv) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Covered Bonds, and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (v) a public statement by or on behalf of the Monetary Authority of Singapore (or by the supervisor of a successor administrator of the Original Reference Rate) that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for the Issuing and Paying Agent, the Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Covered Bondholder using the Original Reference Rate,

provided that the SORA Index Cessation Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph

(v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement of the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator).

- (k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Covered Bonds denominated in a currency other than Euro, Renminbi or Singapore dollars, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of Covered Bonds denominated in Euro, a day on which T2 is operating (a **“TARGET Business Day”**); and/or
- (iii) in the case of Covered Bonds denominated in Renminbi:
 - (A) if cleared through the CMU Service, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;
 - (B) if cleared through the CDP System, a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and
 - (C) if cleared through Euroclear and Clearstream a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (iv) in the case of Covered Bonds denominated in Singapore dollars:
 - (A) if cleared through the CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and
 - (B) if cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (v) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Covered Bond 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:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number is 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:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number is 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:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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 is 31, in which case **D₁** will be 30; and

“**D₂**” 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 is 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:

- (i) the number of days in such Determination Period; and
- (ii) 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:

- (i) 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
- (ii) 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.

- (viii) if **“RBA Bond Basis”** is specified in the applicable Pricing Supplement, and 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)).

“CNY” or **“Renminbi”** means the lawful currency of the PRC.

“Euro” means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

“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.

“HKD” or **“Hong Kong dollars”** means the lawful currency of Hong Kong.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer.

“Interest Amount” means:

- (i) in respect of an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period and which, in the case of Fixed Rate Covered Bonds, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified in the applicable Pricing Supplement.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified:

- (i) the first day of such Interest Period if the Specified Currency is Sterling (and in such case only if the relevant Reference Rate is not SONIA Benchmark), Hong Kong dollars or Renminbi;
- (ii) the day falling two Business Days in the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Period if the Specified Currency is not Sterling, Hong Kong dollars, Euro or Renminbi and if the relevant Reference Rate is not SONIA Benchmark, SOFR Benchmark or SORA Benchmark;
- (iii) the day falling two TARGET Business Days prior to the first day of such Interest Period if the Specified Currency is Euro;

- (iv) (only if the relevant Reference Rate is SONIA Benchmark) (A) where “SONIA Lockout” has been specified as the Observation Method in the applicable Pricing Supplement, the London Business Day immediately following the SONIA Rate Cut-Off Date (or as otherwise specified in the applicable Pricing Supplement) or (B) in all other circumstances, the London Business Day immediately following the end of each SONIA Observation Period (or as otherwise specified in the applicable Pricing Supplement);
- (v) (only if the relevant Reference Rate is SOFR Benchmark and “SOFR Observation Lag” or “SOFR Observation Shift” has been specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where SOFR Compounded Index has been specified as applicable in the applicable Pricing Supplement) the U.S. Government Securities Business Day immediately following the end of each SOFR Observation Period (or as otherwise specified in the applicable Pricing Supplement);
- (vi) (only if the relevant Reference Rate is SOFR Benchmark and “SOFR Payment Delay” has been specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) the Interest Payment Date at the end of each Interest Period, *provided that* the Interest Determination Date with respect to the final Interest Period will be the SOFR Rate Cut-Off Date;
- (vii) (only if the relevant Reference Rate is SOFR Benchmark and “SOFR Lockout” has been specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) the U.S. Government Securities Business Day immediately following the SOFR Rate Cut-Off Date, unless otherwise specified in the relevant Pricing Supplement; and
- (viii) (only if the relevant Reference Rate is SORA Benchmark) has the meaning given to it in Conditions 4(b)(iii)(C)(x)(1), 4(b)(iii)(C)(x)(2), 4(b)(iii)(C)(x)(3) or 4(b)(iii)(C)(x)(4), as applicable.

“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.

“ISDA Definitions” means (i) if “2006 ISDA Definitions” is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds; or (ii) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Covered Bonds, unless otherwise specified in the applicable Pricing Supplement, provided that (i) references to a “Confirmation” in the ISDA Definitions should instead be read as references to the Covered Bonds; (ii) references to a “Calculation Period” in the ISDA Definitions should instead be read as references to an “Interest Period”.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Covered Bond and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement.

“Reference Banks” means:

- (i) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market; and

- (ii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong interbank market,

in each case as selected by the Issuer or as specified in the applicable Pricing Supplement.

“Reference Rate” means the rate specified as such in the applicable Pricing Supplement or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement (or any such successor or replacement page, section, caption, column or other part of a particular information service).

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the relevant Financial Centre specified in the applicable Pricing Supplement or, if none is specified, 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 interbank market in the relevant financial centre or, if no such customary local time exists, 11.00 a.m. in the relevant financial centre and, for the purpose of this definition, **“local time”** means, with respect to the Euro-zone as a relevant financial centre, Central European Time.

“Specified Currency” means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Covered Bonds are denominated.

“Sterling” means the lawful currency of the UK.

“T2” means the real time gross settlement system operated by the Eurosystem, or any successor or replacement for that system.

“U.S. Government Securities Business Day” or **“USBD”** means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Covered Bond is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Covered Bonds, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If 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 an Interest Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5 Redemption, Purchase and Options

- (a) **Redemption by Instalments and Final Redemption:**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Covered Bond that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the applicable Pricing Supplement. The outstanding nominal amount of each such Covered Bond shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Covered Bond, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless otherwise provided in the applicable Pricing Supplement and unless previously redeemed, purchased and cancelled as provided below, each Covered Bond shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its nominal amount) or, in the case of a Covered Bond falling within Condition 5(a)(i) above, its final Instalment Amount.
- (iii) Without prejudice to Condition 9, if an Extended Due for Payment Date is specified in the applicable Pricing Supplement and the Issuer has failed to pay the Final Redemption Amount on the Maturity Date (after expiry of the grace period set out in Condition 9(a)(i)) and, following the service of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient monies available under the Guarantee Priority of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of the Covered Bonds on the date falling on the earlier of:
 - (A) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Maturity Date (in each case, after the expiry of the grace period set out in Condition 9(a)(i)) under the terms of the Covered Bond Guarantee; and
 - (B) the Extension Determination Date,

then (subject as provided below) payment of the unpaid amount by the Covered Bond Guarantor under the Covered Bond Guarantee shall be deferred until the Extended Due for Payment Date, *provided that* the Covered Bond Guarantor may pay any amount representing the Final Redemption Amount on the Maturity Date and any amount representing all or part of the Final Redemption Amount due and remaining unpaid until the earlier of (A) and (B) above may, subject to the Guarantee Priority of Payments, also be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter up to (and including) the relevant Extended Due for Payment Date.

For the avoidance of doubt: (1) the Issuer is not required to notify Covered Bondholders of any such deferral of payment of the Final Redemption Amount on the Maturity Date; (2) Interest in respect of the Covered Bonds (if any) shall continue to accrue and be payable on any accrued but unpaid amount in accordance with Condition 4 on any Interest Payment Date falling on or after the Maturity Date up to (and including) the Extended Due for Payment Date; and (3) the Covered Bond Guarantor will pay the Guaranteed Amounts constituting Scheduled Interest on each Original Due for Payment Date and the Extended Due for Payment Date (as applicable).

- (iv) Unless the Issuing and Paying Agent receives a notice from the Issuer to the contrary at least four Business Days prior to the Maturity Date, payment will be made in full of the Final Redemption Amount in respect of the Covered Bonds on the Maturity Date.
- (v) The Covered Bond Guarantor shall notify the relevant Covered Bondholders (in accordance with Condition 15), the Rating Agencies, the Bond Trustee, the Security Trustee, the Issuing and Paying Agent and the Registrar (in the case of Registered Covered Bonds) as soon as reasonably practicable and in any event at least one Business Day prior to the dates specified in Conditions 5(a)(iii)(A) and (B) above of any inability of the Covered Bond Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount pursuant to the Covered Bond Guarantee.

Any failure by the Covered Bond Guarantor to notify such parties shall not affect the validity or effectiveness of the extension nor give rise to any rights in any such party.

- (vi) In the circumstances outlined in Condition 5(a)(iii) above, the Covered Bond Guarantor shall on the earlier of:
 - (A) the date falling two Business Days after the service of a Notice to Pay on the Covered Bond Guarantor or, if later, the Maturity Date (in each case, after expiry of the grace period set out in Condition 9(b)(i)); and
 - (B) the Extension Determination Date,

under the Covered Bond Guarantee, apply the monies (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) *pro rata* in part payment of an amount equal to the Final Redemption Amount of each Covered Bond and shall pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date.

The obligation of the Covered Bond Guarantor to pay any amounts in respect of the balance of the Final Redemption Amount not so paid shall be deferred as described above. Such failure to pay by the Covered Bond Guarantor shall not constitute a CBG Event of Default.

- (vii) Any discharge of the obligations of the Issuer as the result of the payment of Excess Proceeds to the Bond Trustee shall be disregarded for the purposes of determining the amounts to be paid by the Covered Bond Guarantor under the Covered Bond Guarantee in connection with this Condition 5(a).
- (viii) In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Extended Due for Payment Date” means the date, if any, specified as such in the applicable Pricing Supplement to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Maturity Date or the Extension Determination Date.

“Extension Determination Date” means the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date.

“Guarantee Priority of Payments” means the priority of payments relating to monies standing to the credit of the Payment Ledger of the Transaction Account to be paid on each CBG Payment Date in accordance with the Trust Deed.

“Rating Agency” means any one of Moody’s Investors Service Singapore Pte. Ltd. and S&P Global Ratings Australia Pty Ltd (together, the **“Rating Agencies”**) or their affiliates or successors, to the extent any of them provide(s) ratings in respect of the Covered Bonds.

(b) **Early Redemption:**

(i) *Zero Coupon Covered Bonds:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Covered Bond, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Covered Bond pursuant to Condition 5(c) or Condition 5(e) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Covered Bond unless otherwise specified in the applicable Pricing Supplement.
- (B) Subject to the provisions of Condition 5(b)(i)(C) below, the “Amortised Face Amount” of any such Covered Bond shall be the scheduled Final Redemption Amount of such Covered Bond on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the applicable Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Covered Bonds if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Covered Bond upon its redemption pursuant to Condition 5(c) or Condition 5(e) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Covered Bond shall be the Amortised Face Amount of such Covered Bond as defined in Condition 5(b)(i)(B) above, except that such paragraph shall have effect as though the date on which the Covered Bond becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this paragraph shall continue to be made (both before and after 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 Final Redemption Amount of such Covered Bond on the Maturity Date together with any interest that may accrue in accordance with Condition 4(d).

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 in the applicable Pricing Supplement.

- (ii) *Other Covered Bonds:* The Early Redemption Amount payable in respect of any Covered Bond (other than Covered Bonds described in Condition 5(b)(i) above), upon redemption of such Covered Bond pursuant to Condition 5(c) or Condition 5(e) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

- (c) **Redemption for Taxation Reasons:** The Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, (the **“Optional Tax Redemption”**) on any Interest Payment Date (if this Covered Bond is at the relevant time a Floating Rate Covered Bond) or, at any time (if this Covered Bond is at the relevant time not a Floating Rate Covered Bond), on giving not less than 30 nor more than 60 days’ notice to the Covered Bondholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) (together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption and any Additional Amounts then due or which will become due on or before the date fixed for redemption), if

- (i) the Issuer has or will become obliged to pay Additional Amounts (as described under Condition 7) as a result of any change in, or amendment to, the laws, treaties or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 7) or any political subdivision or any authority thereof or therein having power to tax, or any change in the official application or interpretation of such laws, treaties or regulations, including a decision of any court or tribunal in any such jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Covered Bonds; and
- (ii) such obligation cannot be avoided by the Issuer 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 would be obliged to pay such Additional Amounts were a payment in respect of the Covered Bonds then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Bond Trustee a certificate signed by one duly authorised person of the Issuer 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 the Bond Trustee shall be entitled without further enquiry to accept such certificate as conclusive evidence of the satisfaction of the condition precedent set out in Condition 5(c) above, in which event it shall be conclusive and binding on Covered Bondholders, Receiptholders and Couponholders.

- (d) **Redemption at the Option of the Issuer:** If Call Option is specified in the applicable Pricing Supplement, the Issuer may, on giving not less than 10 nor more than 20 days' irrevocable notice to the Covered Bondholders (or such other notice period as may be specified in the applicable Pricing Supplement) redeem all or, if so provided, some of the Covered Bonds on the date(s) specified in the applicable Pricing Supplement (the "**Optional Redemption Date**"). Any such redemption of Covered Bonds shall be at the Optional Redemption Amount specified in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, or if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, in accordance with these Conditions. Any such redemption or exercise must relate to Covered Bonds of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement.

All Covered Bonds 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, the notice to Covered Bondholders shall also contain the certificate numbers of the Bearer Covered Bonds, or in the case of Registered Covered Bonds shall specify the nominal amount of Registered Covered Bonds drawn and the holder(s) of such Registered Covered Bonds, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption due to Illegality:** The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that it has, or will before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Issuer to make, fund or allow to remain outstanding any Advance made by it to the Covered Bond Guarantor pursuant to

the Intercompany Loan Agreement, as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become effective or will become effective before the next such Interest Payment Date.

Covered Bonds redeemed pursuant to this Condition 5(e) will be redeemed at their Early Redemption Amount referred to in Condition 5(b) together (if appropriate) with interest accrued to the date of redemption.

- (f) **Purchases:** The Issuer, any of its subsidiaries, any of its agents, any of its related corporations or the Covered Bond Guarantor may at any time purchase Covered Bonds (*provided that* all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. The Issuer, any of its subsidiaries, any of its agents or any of its related corporations may, at its option, retain such purchased Covered Bonds for its own account and/or resell or cancel or otherwise deal with them at its discretion.
- (g) **Cancellation:** All Covered Bonds purchased by or on behalf of the Issuer or any of its subsidiaries may be (and any Covered Bonds purchased or otherwise acquired by the Covered Bond Guarantor shall be) surrendered for cancellation, in the case of Bearer Covered Bonds, by surrendering each such Covered Bond together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Covered Bonds, by surrendering the Certificate representing such Covered Bonds to the Registrar and, in each case, if so surrendered, shall, together with all Covered Bonds redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Covered Bonds so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Covered Bond Guarantor in respect of any such Covered Bonds shall be discharged.
- (h) **No Obligation to Monitor:** The Bond Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Covered Bondholders, Receiptholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Bond Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.

6 Payments and Talons

- (a) **Bearer Covered Bonds not held in the CMU:** Payments of principal and interest in respect of Bearer Covered Bonds not held in the CMU shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and *provided that* the Receipt is presented for payment together with its relevant Covered Bond), Covered Bonds (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(h)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(h)(ii)), as the case may be:
 - (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with, a Bank; and
 - (ii) in the case of Renminbi, by transfer to a relevant account maintained by or on behalf of the Covered Bondholder. If a holder does not maintain a relevant account in respect of a payment to be made under the Covered Bonds, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that

holder by another means, *provided that* the Issuer shall not have any obligation to make any such arrangements.

In this Condition:

“**Bank**” means a bank in the principal financial centre for such currency or, in the case of Euro, in a city in which banks have access to T2.

“**relevant account**” means the Renminbi account maintained by or on behalf of the Covered Bondholder with:

- (i) in the case of Covered Bonds not cleared through the CDP System, a bank in Hong Kong; or
 - (ii) in the case of Covered Bonds cleared through the CDP System, a bank in Singapore or Hong Kong.
- (b) **Bearer Covered Bonds held in the CMU:** Payments of principal and interest in respect of Bearer Covered Bonds held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Covered Bond are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time.
- (c) **Registered Covered Bonds not held in the CMU:**
- (i) Payments of principal (which for the purposes of this Condition 6(c) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Covered Bonds shall 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 paragraph (ii) below.
 - (ii) Interest (which for the purpose of this Condition 6(c) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Covered Bonds shall be paid to the person shown on the Register at the close of business:
 - (A) in the case of a currency other than Renminbi, on the 15th day before the due date for payment thereof; and
 - (B) in the case of Covered Bonds denominated in Renminbi, on the fifth Business Day before the due date for payment,(the “**Record Date**”).

Payments of interest on each Registered Covered Bond shall be made:

- (x) in the case of a currency other than Renminbi, in the relevant currency upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
 - (y) in the case of Renminbi, by transfer to the registered account of the Covered Bondholder. If a holder does not maintain a registered account in respect of a payment to be made under the Covered Bonds, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, *provided that* the Issuer shall not have any obligation to make any such arrangements.
- (iii) Covered Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Covered Bond if the due date is not a relevant

Business Day, if the Covered Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so).

In this Condition 6(c), “**registered account**” means the Renminbi account maintained by or on behalf of the Covered Bondholder with:

- (i) in the case of Covered Bonds not cleared through the CDP System, a bank in Hong Kong; or
- (ii) in the case of Covered Bonds cleared through the CDP System, a bank in Singapore or Hong Kong, details of which appear on the Register at the close of business on the fifth Business Day before the due date for payment.

- (d) **Registered Covered Bonds held in the CMU:** Payments of principal and interest in respect of Registered Covered Bonds held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Covered Bond are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by the CMU, which notification shall be conclusive evidence of the records of the CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

For so long as any of the Covered Bonds that are cleared through the CMU are represented by the Global Certificate, payments of interest or principal will be made to the persons for whose account a relevant interest is in the Global Certificate is credited as being held by the operator at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator in a relevant CMU Instrument Position Report (as defined in the CMU Rules) or in any other relevant notification by the operator. Such payment will discharge the Issuer’s obligations in respect of that payment. Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the interbank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.

- (e) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Covered Bonds are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:
 - (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Covered Bonds in the manner provided above when due;
 - (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and
 - (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer and the Covered Bond Guarantor, any adverse tax consequence to the Issuer or the Covered Bond Guarantor.
- (f) **Payments subject to fiscal laws:** Save as provided in Condition 7, payments (including payments by the Covered Bond Guarantor) will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer or the Covered Bond Guarantor or its Agents agree to be subject and neither the Issuer nor the Covered Bond Guarantor will be liable for:

- (i) any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements; or
- (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or otherwise imposed pursuant to Section 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 Covered Bondholders or Couponholders in respect of such payments.

- (g) **Appointment of Agents:** The Issuing and Paying Agent, the CDP Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Covered Bond Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the CDP Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Covered Bond Guarantor and do not assume any obligation or relationship of agency or trust for or with any Covered Bondholder, Receipholder or Couponholder. The Issuer and the Covered Bond Guarantor reserve the right at any time, with the approval of the Bond Trustee (which shall not be unreasonably withheld), to vary or terminate the appointment of the Issuing and Paying Agent, the CDP Paying Agent, the CMU Lodging and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, *provided that* the Issuer shall at all times maintain:

- (i) an Issuing and Paying Agent;
- (ii) a Registrar in relation to Registered Covered Bonds;
- (iii) a Transfer Agent in relation to Registered Covered Bonds;
- (iv) a CDP Paying Agent in relation to Covered Bonds accepted for clearance through the CDP System;
- (v) a CMU Lodging and Paying Agent in relation to Covered Bonds accepted for clearance through the CMU Service;
- (vi) one or more Calculation Agent(s) where the Conditions so require; and
- (vii) such other agents as may be required by any other stock exchange on which the Covered Bonds may be listed, in each case as approved by the Bond Trustee.

In addition, the Issuer and the Covered Bond Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Covered Bonds denominated in U.S. dollars in the circumstances described in paragraph (e) above.

Notice of any such change or any change of any specified office shall promptly be given to the Covered Bondholders.

- (h) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Unless the Covered Bonds provide that the relevant Coupons are to become void upon the due date for redemption of those Covered Bonds, Bearer Covered Bonds which comprise Fixed Rate Covered Bonds should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion

of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

- (ii) Upon the due date for redemption of any Bearer Covered Bond comprising a Floating Rate Covered Bond, unmatured Coupons relating to such Covered Bond (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 Covered Bond, any unexchanged Talon relating to such Covered Bond (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Upon the due date for redemption of any Bearer Covered Bond that is redeemable in instalments, all Receipts relating to such Covered Bond having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Bearer Covered Bond that provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Covered Bonds is presented for redemption without all unmatured Coupons, and where any Bearer Covered Bond 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.
 - (vi) If the due date for redemption of any Covered Bond 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 Covered Bond or Certificate representing it, as the case may be. Interest accrued on a Covered Bond that only bears interest after its Maturity Date shall be payable on redemption of such Covered Bond against presentation of the relevant Covered Bond or Certificate representing it, as the case may be.
- (i) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Covered Bond, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent 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).
- (j) **Non-Business Days:** Unless otherwise stated in the applicable Pricing Supplement, if any date for payment in respect of any Covered Bond, Receipt or Coupon is not a Payment Day, the holder shall not be entitled to payment until the next following Payment Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**Payment Day**” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as “Financial Centres” in the applicable Pricing Supplement, and:
- (i) (in the case of a payment in a currency other than Euro or Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (ii) (in the case of a payment in Euro) which is a TARGET Business Day; or

- (iii) (in the case of Renminbi where the Covered Bonds cleared through the CMU Service) on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or
 - (iv) (in the case of Renminbi where the Covered Bonds are cleared through Euroclear or Clearstream) on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or
 - (v) (in the case of Renminbi where the Covered Bonds are cleared through the CDP System) on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong.
- (k) **Renminbi fallback:** Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the Covered Bonds is due as a result of circumstances beyond the control of the Issuer or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest in respect of the Covered Bonds when due in Renminbi (in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream) in Hong Kong, or (in the case of Covered Bonds cleared through the CDP System) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days' irrevocable notice to the Covered Bondholders prior to the due date for payment, settle any such payment (in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream) in U.S. dollars, or (in the case of Covered Bonds cleared through the CDP System) in Singapore dollars, on the due date at (in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream) the U.S. Dollar Equivalent, or (in the case of Covered Bonds cleared through the CDP System) the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Interest on the Covered Bonds will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or interest in respect of the Covered Bonds shall be made by:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City; or
- (ii) in the case of Covered Bonds cleared through the CDP System, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(i) by the Calculation Agent or the Issuer (as the case may be) will (in the absence of wilful default, bad faith or manifest error) be binding on all parties (including the Issuer, the Agents and all Covered Bondholders).

In this Condition:

"Determination Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, in Hong Kong, in Singapore and New York City; or
- (ii) in the case of Covered Bonds cleared through the CDP System, in Singapore;

“Determination Date” means the day which:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, is five Determination Business Days before the due date for payment of the relevant amount under these Conditions; or
- (ii) in the case of Covered Bonds cleared through the CDP System, is seven Determination Business Days before the due date for payment of the relevant amount under these Conditions;

“Governmental Authority” means:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or
- (ii) in the case of Covered Bonds cleared through the CDP System, the MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore;

“Illiquidity” means:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Covered Bonds as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer; or
- (ii) in the case of Covered Bonds cleared through the CDP System, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Covered Bonds as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer;

“Inconvertibility” means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Covered Bonds in the general Renminbi exchange market in, in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, Hong Kong, or, in the case of Covered Bonds cleared through the CDP System, Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

“Non-transferability” means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or

regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); or

- (ii) in the case of Covered Bonds cleared through the CDP System, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

“PRC” means the People’s Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan);

“Renminbi Dealer” means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, in Hong Kong; and
- (ii) in the case of Covered Bonds cleared through the CDP System, in Singapore;

“Singapore Dollar Equivalent” means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date;

“Spot Rate” means:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11:00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or, if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF.

If such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY = SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

- (ii) in the case of Covered Bonds cleared through the CDP System, for a Determination Date, means the spot Renminbi/Singapore dollar exchange rate as determined by the Issuer at or around 11:00 a.m. (Singapore time) on such date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Issuer may determine the rate taking into consideration all available information which the Issuer deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore; and

“U.S. Dollar Equivalent” means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

7 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Covered Bonds, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or, if different, the jurisdiction of tax residency of the Issuer (each such jurisdiction, a **"Relevant Taxing Jurisdiction"**) or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the **"Additional Amounts"**) as shall result in receipt by the Receiptholders, Covered Bondholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Covered Bond, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is:
 - (i) treated as a resident of or as having a permanent establishment in the Relevant Taxing Jurisdiction for tax purposes; or
 - (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Covered Bond, Receipt, Talon or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding or ownership of the Covered Bond, Receipt, Talon or Coupon or receiving income therefrom, or the enforcement thereof; or
- (b) **Lawful avoidance of withholding:** 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 concerning the nationality, residence, identity or other attributes of the holder or beneficial owner 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 Covered Bond (or the Certificate representing it), Receipt or Coupon is presented for payment; or
- (c) **Presentation more than 30 days after the Relevant Date:** where presentation is required or has occurred, presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on or before the 30th day assuming that day to have been a Payment Day (as defined in Condition 6(j)).

As used in these Conditions, **"Relevant Date"** in respect of any Covered Bond, Receipt, Talon or Coupon means the date on which payment in respect of it 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 seven days after that on which notice is duly given to the Covered Bondholders that, upon further presentation of the Covered Bond (or relevant Certificate), Receipt, Talon or Coupon being made in accordance with the Conditions, such payment will be made, *provided that* payment is in fact made upon such presentation. References in these Conditions to:

- (i) **"principal"** shall be deemed to include any premium payable in respect of the Covered Bonds, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it;
- (ii) **"interest"** shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it; and

- (iii) “**principal**” and/or “**interest**” shall be deemed to include any Additional Amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

All payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Singapore or any authority therein or thereof having the power to tax unless required by law. If any such withholding or deduction is required, the Covered Bond Guarantor will pay the Guaranteed Amounts net of such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any additional amount (including, but not limited to, the Additional Amounts) to the Bond Trustee or any holder of Covered Bonds in respect of the amount of such withholding or deduction. If any withholding or deduction arises under or in connection with FATCA, the Covered Bond Guarantor will not be required to pay any additional amount (including, but not limited to, the Additional Amounts) under the Covered Bond Guarantee on account of such withholding or deduction.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Covered Bonds by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, 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 fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

*Where interest, discount income, early redemption fee or redemption premium is derived from any of the Covered Bonds 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 1947 of Singapore (the “**Income Tax Act**”) shall not apply if such person acquires such Covered Bonds using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Covered Bonds is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.*

8 Prescription

Claims against the Issuer for payment in respect of the Covered Bonds, Receipts 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.

9 Events of Default

(a) Issuer Events of Default:

If any of the following events (each an “**Issuer Event of Default**”) occurs and is continuing, the Bond Trustee at its discretion may but is not obliged to do so, and if so requested in writing by holders of at least 25 per cent. in nominal amount of the Covered Bonds of this Series together with the Covered Bonds of any other Series then outstanding as if they were a single Series or if so directed by an Extraordinary Resolution of all the Covered Bondholders of all Series then outstanding as if they were a single Series shall (but in respect of the events in Conditions 9(a)(ii)

to (v) (inclusive) below, only if the Bond Trustee has certified in writing to the Issuer that the occurrence of such event is materially prejudicial to the interests of the Covered Bondholders of any Series) (subject in each case to the Bond Trustee being indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion) give notice in writing to the Issuer (an “**Issuer Acceleration Notice**”) that, as against the Issuer (but not, for the avoidance of doubt, as against the Covered Bond Guarantor under the Covered Bond Guarantee) the Covered Bonds are, unless such event will have been cured by the Issuer prior to the Issuer receiving the notice in writing from the Bond Trustee, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with interest accrued but unpaid:

- (i) **Non-Payment:** default is made by the Issuer for more than seven Business Days in the payment on the due date of principal or of interest in respect of any of the Covered Bonds;
- (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Covered Bonds, the Trust Deed (other than any obligation for the payment of interest or principal in respect of any of the Covered Bonds) or any other Transaction Document to which the Issuer is a party (other than the Programme Agreement and any Subscription Agreement) but excluding any obligation of the Issuer to comply with the Asset Coverage Test or the Pre-Maturity Test or any representation or warranty given by the Issuer in respect of the Asset Coverage Test or the Pre-Maturity Test, which default has not been remedied within 30 days (or such longer period as the Bond Trustee may permit) after notice of such default shall have been given to the Issuer by the Bond Trustee;
- (iii) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or put in force against the whole or a substantial part of the Issuer’s undertaking or assets and is not discharged or stayed within 60 days, provided that where this Condition 9(a)(iii) relates to part only of the Issuer’s assets, such parts shall amount to at least U.S.\$50,000,000 (or its equivalent in any other currency);
- (iv) **Insolvency:** the Issuer is or is deemed by law or a court of competent jurisdiction to be insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material part of the debts of the Issuer;
- (v) **Winding-up:** a judicial manager is appointed in relation to the Issuer, an order is made or an effective resolution passed for the winding-up or dissolution or administration or judicial management of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Bond Trustee in writing or by an Extraordinary Resolution (as defined in the Trust Deed);
- (vi) **Breach of Asset Coverage Test:** if an Asset Coverage Test Breach Notice has been served and is not revoked (in accordance with the terms of the Transaction Documents) on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice on the Covered Bond Guarantor; or
- (vii) **Breach of Pre-Maturity Test:** if the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds is breached less than six months prior to the Maturity Date of such Series of Hard Bullet Covered Bonds and the Covered Bond Guarantor has not funded the Pre-Maturity Liquidity Ledger in accordance with the Establishment Deed before the earlier of:

- (I) 30 days from the date that the Seller and the Issuer are notified of the breach of the Pre-Maturity Test; and
- (II) the Maturity Date of such Series of Hard Bullet Covered Bonds.

Upon the Covered Bonds becoming immediately due and payable against the Issuer pursuant to this Condition 9(a), the Bond Trustee shall forthwith serve a notice to pay (the “**Notice to Pay**”) on the Covered Bond Guarantor pursuant to the Covered Bond Guarantee and the Covered Bond Guarantor shall be required to make payments of Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may or shall take such proceedings or other action against the Issuer in accordance with Condition 11.

The Trust Deed provides that all monies received by the Bond Trustee from the Issuer or any receiver, liquidator, judicial manager or other similar official appointed in relation to the Issuer following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice and a Notice to Pay (the “**Excess Proceeds**”) shall be paid by the Bond Trustee on behalf of the Covered Bondholders to the Covered Bond Guarantor for its own account, as soon as practicable, and shall be held by the Covered Bond Guarantor in the Transaction Account and the Excess Proceeds shall thereafter form part of the Security and shall be used by the Covered Bond Guarantor in the same manner as all other monies from time to time standing to the credit of the Transaction Account pursuant to the Deeds of Charge and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee shall discharge, to that extent, the obligations of the Issuer in respect of the payment of the amount of such Excess Proceeds under the Covered Bonds, Receipts and Coupons. However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of a Notice to Pay) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds and payment to the Covered Bond Guarantor of such Excess Proceeds shall not reduce or discharge any of such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

(b) **Covered Bond Guarantor Events of Default:**

If any of the following events (each a “**CBG Event of Default**”) occurs and is continuing, the Bond Trustee at its discretion may but is not obliged to do so, and if so requested in writing by holders of at least 25 per cent. in nominal amount of the Covered Bonds of this Series together with the Covered Bonds of any other Series then outstanding as if they were a single Series or if so directed by an Extraordinary Resolution of all the Covered Bondholders of all Series then outstanding as if they were a single Series shall (but in respect of the events in Conditions 9(b)(ii) to (v) (inclusive) below, only if the Bond Trustee has certified in writing to the Covered Bond Guarantor and the Issuer that the occurrence of such event is materially prejudicial to the interests of the Covered Bondholders of any Series) (subject in each case to the Bond Trustee being indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion) give notice in writing to the Covered Bond Guarantor and the Issuer (a “**CBG Acceleration Notice**”), that, unless such event is cured by the Covered Bond Guarantor prior to the Issuer and the Covered Bond Guarantor receiving the notice in writing from the Bond Trustee, (A) the Covered Bonds shall, as against the Issuer (if not already due and repayable against it following an Issuer Event of Default), immediately become due and repayable at their Early Redemption Amount together (if applicable) with interest accrued but unpaid and (B) all amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee shall immediately become due and payable at the Guaranteed Amount corresponding

to the Early Redemption Amount together (if applicable) with interest accrued but unpaid, in each case as provided in the Trust Deed and thereafter the Security shall become enforceable:

- (i) **Non-Payment:** default is made by the Covered Bond Guarantor for more than seven Business Days in the payment of any Guaranteed Amounts when Due for Payment in respect of any of the Covered Bonds except in the case of payments of a Guaranteed Amount when Due for Payment under Condition 5(a) where the Covered Bond Guarantor shall be required to make payments of Guaranteed Amounts which are Due for Payment on the dates specified therein;
- (ii) **Breach of Other Obligations:** the Covered Bond Guarantor does not perform or comply with any one or more of its obligations (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds) under the Trust Deed or any other Transaction Document to which the Covered Bond Guarantor is a party (other than the Programme Agreement or any Subscription Agreement), which default has not been remedied within 30 days (or such longer period as the Bond Trustee may permit) after notice of such default shall have been given to the Covered Bond Guarantor by the Bond Trustee;
- (iii) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or put in force against the whole or a substantial part of the Covered Bond Guarantor's undertaking or assets and is not discharged or stayed within 60 days (unless the same is being contested in good faith);
- (iv) **Insolvency:** the Covered Bond Guarantor is or is deemed by law or a court of competent jurisdiction to be insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material part of the debts of the Covered Bond Guarantor;
- (v) **Winding-up:** a judicial manager is appointed in relation to the Covered Bond Guarantor, an order is made or an effective resolution passed for the winding-up or dissolution or administration or judicial management of the Covered Bond Guarantor, or the Covered Bond Guarantor shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Bond Trustee in writing or by an Extraordinary Resolution (as defined in the Trust Deed);
- (vi) **Amortisation Test:** a failure to satisfy the Amortisation Test (as set out in the Establishment Deed) on any Test Date following the service of a Notice to Pay; or
- (vii) **Covered Bond Guarantee:** the Covered Bond Guarantee is not, or is claimed by the Covered Bond Guarantor not to be, in full force and effect.

Following the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice on the Covered Bond Guarantor, the Bond Trustee may or if so requested by holders of at least 25 per cent. in nominal amount of the Covered Bonds then outstanding or if so directed by an Extraordinary Resolution of all the Covered Bondholders shall and the Security Trustee may or if so directed by the Bond Trustee shall take such proceedings or steps in accordance with Condition 11 and the Covered Bondholders shall have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount together (if applicable) with interest accrued but unpaid and any other amount due under the Covered Bonds (other than

Additional Amounts payable under Condition 7) as provided in the Trust Deed in respect of the Covered Bonds.

10 Meetings of Covered Bondholders, Modification, Waiver and Substitution

- (a) **Meetings of Covered Bondholders:** The Trust Deed contains provisions for convening meetings (including by way of teleconference or videoconference call) of Covered Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by the Issuer or Covered Bondholders holding not less than 10% in nominal amount of the Covered Bonds of any Series for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in nominal amount of the Covered Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Covered Bondholders whatever the nominal amount of the Covered Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*:
- (i) to amend the dates of maturity or redemption of the Covered Bonds, any Instalment Date or any date for payment of interest or Interest Amounts on the Covered Bonds;
 - (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Covered Bonds;
 - (iii) to reduce the rate or rates of interest in respect of the Covered Bonds or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Covered Bonds (except as a result of any modification contemplated in Condition 4(j));
 - (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such minimum and/or maximum;
 - (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount;
 - (vi) to vary the currency or currencies of payment or denomination of the Covered Bonds;
 - (vii) to take any steps that as specified in the applicable Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply;
 - (viii) to amend the Covered Bond Guarantee or the Deeds of Charge (except in a manner determined by the Bond Trustee not to be materially prejudicial to the interests of the Covered Bondholders);
 - (ix) to sanction the exchange or substitution for the Covered Bonds of, or the conversion of the Covered Bonds into, shares, bonds or other obligations or securities of the Issuer, the Covered Bond Guarantor or any other entity; or
 - (x) to modify the provisions concerning the quorum required at any meeting of Covered Bondholders or the majority required to pass the Extraordinary Resolution,

(each a “**Series Reserved Matter**”) in which case the necessary quorum shall be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in nominal amount of the Covered Bonds of any Series for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Covered Bondholders (whether or

not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90% in nominal amount of the Covered Bonds outstanding and who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Trust Deed ("**Written Resolution**"), shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Covered Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Covered Bondholders.

For so long as the Covered Bonds are in the form of a Global Covered Bond held on behalf of, or a Global Certificate registered in the name of any nominee for one or more of, Euroclear, Clearstream or alternative clearing system, then, in respect of any resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee, where the terms of the proposed resolution have been notified to the Covered Bondholders through the relevant clearing system(s), each of the Issuer, the Covered Bond Guarantor and the Bond Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Covered Bonds outstanding ("**Electronic Consent**").

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Covered Bondholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

Notwithstanding the provisions of the immediately preceding paragraphs, any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to Condition 9 or to direct the Bond Trustee or the Security Trustee to take any enforcement action pursuant to Condition 11 (each a "**Programme Resolution**") shall only be capable of being passed at a single meeting of the Covered Bondholders of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Covered Bond Guarantor, the Bond Trustee or by the Covered Bondholders of any Series. The quorum at any such meeting for passing a Programme Resolution is two or more persons holding or representing a clear majority in nominal amount of the Covered Bonds for the time being outstanding or at any adjourned meeting two or more persons being or representing Covered Bondholders whatever the nominal amount of the Covered Bonds of any Series held or represented. Any Programme Resolution duly passed shall be binding on all Covered Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Trust Deed provides that, for the purposes of determining the votes a Covered Bondholder is entitled to cast, each Covered Bondholder shall have one vote in respect of each SGD 1.00 in nominal amount of Covered Bonds held (converted into Singapore dollars, if such Covered Bonds are not denominated in Singapore dollars, at the relevant Covered Bond Swap Rate).

Notwithstanding the provisions of the immediately preceding paragraphs, the consent or approval of the Covered Bondholders shall not be required in the case of amendments to the Conditions pursuant to Condition 4(j) and/or the applicable Pricing Supplement to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Covered Bonds or for any other variation of these Conditions and/or the Agency Agreement and/or other Transaction Documents required to be made in the circumstances

described in Condition 4(j) and/or the applicable Pricing Supplement, where the requirements of Condition 4(j) and/or the applicable Pricing Supplement or in connection therewith have been satisfied (including the provision of a certificate to the Bond Trustee and the Security Trustee, where applicable).

- (b) **Modification of the Trust Deed and the Transaction Documents:** The Bond Trustee (and the Security Trustee) and the Issuer may agree, without the consent of the Covered Bondholders, Receiptholders or Couponholders and without the consent of the other Secured Creditors, to:
- (i) any modification of any of the provisions of the Trust Deed, the Conditions or any Transaction Document which is, in its opinion, of a formal, minor or technical nature or made to correct a manifest or proven error or to comply with any mandatory provisions of law or as required by Euroclear and/or Clearstream and/or the CMU and/or CDP and/or other clearing systems or regulation or any requirement of any governmental authority which applies to the Covered Bond Guarantor, the Issuer, other transaction parties or any Transaction Document or the transactions thereunder; and
 - (ii) any other modification of any of the provisions of the Trust Deed, the Conditions or any Transaction Document that is in the opinion of the Bond Trustee not materially prejudicial to the interests of the Covered Bondholders.

Any such modification shall be binding on all Covered Bondholders, Receiptholders and the Couponholders and, if the Bond Trustee so requires, shall be notified to the Covered Bondholders as soon as practicable.

Further, in respect of a Transaction Document to which the Bond Trustee or the Security Trustee is a party, the Bond Trustee or the Security Trustee, as applicable, shall agree without the consent of the Covered Bondholders, Receiptholders or Couponholders to any amendment to such Transaction Document for the purpose of making any amendment (including, without limitation, adding, changing or removing parties and correcting or rectifying any ambiguity, defective provisions, errors, omissions or inconsistencies) to the Transaction Document, *provided that*, following the first Issue Date, the Cash Manager has delivered a Rating Agency Confirmation to the Covered Bond Guarantor, the Security Trustee and the Bond Trustee in respect of such amendment and the Cash Manager has confirmed in writing to the Security Trustee and the Bond Trustee (as the case may be) and to the Covered Bond Guarantor that in its opinion such amendment will not have an adverse effect on the amount and timing of any payment to the Covered Bondholders. Any such amendment shall be binding on all Covered Bondholders, Receiptholders and all Couponholders and, if the Bond Trustee or the Security Trustee, as applicable, so requires, shall be notified to the Covered Bondholders as soon as practicable. The Security Trustee or the Bond Trustee (as the case may be) may rely on the Rating Agency Confirmation delivered to them.

In addition, the Bond Trustee or the Security Trustee (as the case may be) shall be obliged, without the consent of the Covered Bondholders, Receiptholders or Couponholders, to concur with the Issuer in (A) making any modifications (other than a modification relating to a Series Reserved Matter) in respect of the Conditions or a Transaction Document to which the Bond Trustee or the Security Trustee is a party, that are requested in writing by the Issuer, or (B) the entering into of any new documents, whether in its existing capacities as Bond Trustee and Security Trustee, provided that, the Issuer considers the modifications necessary for the purpose of enabling the Covered Bonds issued under the Programme to qualify or to continue to qualify under any equivalence regime introduced for third-country credit institutions issuing covered bonds and for investors in those covered bonds as referred to in Article 31 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (“**EU Covered Bond**

Directive") and which the Issuer certifies in writing to the Bond Trustee are necessary to comply with any such equivalence regime in relation to the EU Covered Bond Directive and/or Regulation (EU) 2019/2160 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) No 575/2013 as regards exposures in the form of Covered Bonds, and are required solely for such purpose and have been drafted solely to such effect. The Trust Deed provides for further requirements that may be required by the Bond Trustee for any modifications under this paragraph.

- (c) **Modification to Pricing Supplements:** Notwithstanding Condition 10(b) above, the Issuer and the Covered Bond Guarantor may agree, without the consent of the Bond Trustee, the Security Trustee, the Covered Bondholders, Receiptholders or Couponholders or any of the other Secured Creditors, to any modification of any of the provisions of any Pricing Supplements as may be required in order to give effect to, where applicable, Conditions 4(j)(i), 4(j)(ii) or 4(j)(iii) or the Pricing Supplement, as the case may be.
- (d) **Waiver:** The Bond Trustee may also agree (but is not obliged to do so), without the consent of the Covered Bondholders, Receiptholders or Couponholders, to the waiver or authorisation of any breach or proposed breach of any of the provisions of the Covered Bonds of any Series, or determine that any Issuer Event of Default or CBG Event of Default or Potential Issuer Event of Default or Potential CBG Event of Default shall not be treated as such, *provided that*, in any such case, it is not, in the opinion of the Bond Trustee, materially prejudicial to the interests of the Covered Bondholders of any Series. Save as otherwise provided in the Deeds of Charge, the Security Trustee shall agree to the waiver or authorisation of any breach or proposed breach of any of the provisions of any Transaction Document only if so directed by:
 - (i) the Bond Trustee, so long as there are any Covered Bonds outstanding; or
 - (ii) all of the other Secured Creditors, if there are no Covered Bonds outstanding.Any such authorisation or waiver shall be binding on all Covered Bondholders, Receiptholders and the Couponholders and, if the Bond Trustee so requires, such waiver or authorisation shall be notified to the Covered Bondholders as soon as practicable.
- (e) **Entitlement of the Bond Trustee and the Security Trustee:** In connection with the exercise of its functions (including, but not limited to, those referred to in this Condition) the Bond Trustee and the Security Trustee shall have regard to the interests of the Covered Bondholders, Receiptholders or Couponholders of each Series as a class and shall not have regard to the consequences of such exercise for individual Covered Bondholders, Receiptholders or Couponholders and the Bond Trustee and the Security Trustee shall not be entitled to require, nor shall any Covered Bondholder, Receiptholders or Couponholder be entitled to claim, from the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Covered Bondholders, Receiptholders or Couponholders.
- (f) **Substitution:** The Trust Deed contains provisions permitting the Bond Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Bond Trustee may require, but without the consent of the Covered Bondholders, Receiptholders or the Couponholders, to the substitution of the Issuer's successor in business or any subsidiary of the Issuer or its successor in business in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Covered Bonds.
- (g) For the purpose of this Condition 10:

- (i) **“Potential CBG Event of Default”** means an event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(b) become a CBG Event of Default; and
- (ii) **“Potential Issuer Event of Default”** means an event or circumstance which could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(a) become an Issuer Event of Default.

11 Enforcement in respect of Covered Bonds

- (a) In the case of Covered Bonds, at any time after the Covered Bonds become due and payable, the Bond Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Covered Bond Guarantor as it may think fit to enforce the terms of the Trust Deed, the Covered Bonds, the Receipts and the Coupons, but it need not take any such proceedings unless:
 - (i) it shall have been so directed by an Extraordinary Resolution of all the Covered Bondholders or so requested in writing by Covered Bondholders holding at least 25 per cent. in nominal amount of the Covered Bonds then outstanding (in each case with all Covered Bondholders being treated as if they were a single Series); and
 - (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

In exercising any of its powers, trusts, authorities and discretions under this Condition 11 in respect of any Series, the Bond Trustee shall only have regard to the interests of the holders of the Covered Bonds of such Series as a Class and shall not have regard to the interests of any other Secured Creditors.

- (b) The Bond Trustee may at any time, at its discretion and without further notice, direct the Security Trustee to take such steps or proceedings against the Covered Bond Guarantor and/or any other person as it may think fit to enforce the provisions of the Deeds of Charge or any other Transaction Document and may, at any time after the Security has become enforceable, direct the Security Trustee to take such steps as it may think fit to enforce the Security, but it shall not be bound to give any such direction and the Security Trustee shall not be bound to take any such steps or proceedings unless:
 - (i) the Bond Trustee shall have been so directed by an Extraordinary Resolution or so requested in writing by Covered Bondholders holding at least 25 per cent. in nominal amount of the Covered Bonds then outstanding (in each case with all Covered Bondholders being treated as if they were a single Series); and
 - (ii) each of the Bond Trustee and the Security Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

In exercising any of its powers, trusts, authorities and discretions under this Condition 11 in respect of any Series, each of the Bond Trustee and the Security Trustee shall only have regard to the interests of the holders of the Covered Bonds of such Series as a Class and shall not have regard to the interests of any other Secured Creditors.

- (c) No Covered Bondholder, Receiptholder or Couponholder in respect of Covered Bonds may proceed directly against the Issuer or the Covered Bond Guarantor unless the Bond Trustee or the Security Trustee (as the case may be) having become bound so to proceed (in accordance with the terms

of the Trust Deed and the Conditions), fails to do so within a reasonable period and such failure is continuing, in which case such Covered Bondholder, Receiptholder or Couponholder shall have only such rights against the Issuer or the Covered Bond Guarantor as those which the Bond Trustee or the Security Trustee (as the case may be) is entitled to exercise and provided that the holder shall not present an application for the winding up of, or for an administration order, judicial management, appointment of a receiver, a scheme of arrangement or compromise in respect of, the Issuer or the Covered Bond Guarantor.

12 Indemnification of the Bond Trustee and the Security Trustee

The Trust Deed and the Deeds of Charge contain provisions for the indemnification of each of the Bond Trustee and the Security Trustee, respectively, and for their relief from responsibility. Each of the Bond Trustee and the Security Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer or the Covered Bond Guarantor without accounting for any profit.

Each of the Bond Trustee and the Security Trustee may accept and rely without liability to Covered Bondholders, Receiptholders or Couponholders on a report, confirmation or certificate or any advice of any 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 Bond Trustee or the Security Trustee, respectively, or in any other manner) by reference to a monetary cap, methodology or otherwise. Each of the Bond Trustee and the Security Trustee may conclusively (without liability) accept and shall be entitled to rely on such report, confirmation, certificate or advice and such report, confirmation, certificate or advice shall be binding on the Issuer, the Bond Trustee, the Security Trustee, the Covered Bondholders, Receiptholders and the Couponholders.

13 Replacement of Covered Bonds, Certificates, Receipts, Coupons and Talons

If a Covered Bond, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Covered Bonds, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or 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 Covered Bondholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Covered Bond, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Covered Bonds, Certificates, Receipts, Coupons or further Coupons or Talons) and otherwise as the Issuer and/or such agent may require in their sole discretion. Mutilated or defaced Covered Bonds, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14 Further Issues

The Issuer may from time to time without the consent of the Covered Bondholders, Couponholders or Receiptholders create and issue further securities either having the same terms and conditions as the Covered Bonds of any series in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Covered Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Covered Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Covered Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Covered Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Bond Trustee), be constituted by the Trust

Deed. The Trust Deed contains provisions for convening a single meeting of the Covered Bondholders and the holders of securities of other series where the Bond Trustee so decides.

15 Notices

Notices to the holders of Registered Covered Bonds shall be mailed to them (or the first named of joint holders) 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. Notices to the holders of Bearer Covered Bonds shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be The Business Times but may be another leading daily English language newspaper with general circulation in Singapore) or, so long as Covered Bonds are listed on the SGX-ST, published on the website of the SGX-ST at <https://www.sgx.com>. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

So long as the Covered Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of CDP, Euroclear, Clearstream or the CMU or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Covered Bondholders shall be given by delivery of the relevant notice to CDP (subject to the agreement of CDP), Euroclear, Clearstream or the CMU or the Alternative Clearing System, for communication by them to the holders of the Covered Bonds in substitution for notification as required by the Conditions, except that if the Covered Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, notices to the holders of Covered Bonds of that Series shall be valid if published on the website of the SGX-ST at <https://www.sgx.com>. Any such notice shall be deemed to have been given to the holders of the Covered Bonds on the date on which such notice is delivered to CDP, Euroclear, Clearstream or the CMU or the Alternative Clearing System or is published on the website of the SGX-ST, or if delivered or published on different dates, on the first date on which such notice is delivered or published (as the case may be).

Couponholders and Receipholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Covered Bonds in accordance with this Condition 15.

16 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Covered Bond, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Covered Bondholder, Couponholder or Receipholder in respect of any sum expressed to be due to it from the Issuer or the Covered Bond Guarantor shall only constitute a discharge to the Issuer or the Covered Bond Guarantor to the extent of the amount in the currency of payment under the relevant Covered Bond, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Covered Bond, Coupon or Receipt, the Issuer or the Covered Bond Guarantor, as the case may be, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer or the Covered Bond Guarantor shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Covered Bondholder, Couponholder or Receipholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Covered Bondholder, Couponholder or Receipholder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Covered Bond, Coupon or Receipt or any other judgment or order.

17 Limited Recourse

(a) **Limited Recourse:**

- (i) **Enforcement of Security:** The Security Trustee and only the Security Trustee may enforce the Security over the Charged Property in accordance with, and subject to the terms of, the Deeds of Charge.
- (ii) **Insufficient Recoveries:** If, or to the extent that, after the Charged Property has been as fully as practicable realised and the proceeds thereof have been applied in accordance with the applicable Priority of Payments, the amounts recovered on realisation of the Charged Property are insufficient to pay or discharge amounts due from the Covered Bond Guarantor to the Secured Creditors in full for any reason, the Covered Bond Guarantor will have no liability to pay or otherwise make good any such insufficiency.

- (b) **Non-Petition:** No Secured Creditor may take any corporate action or other steps or legal proceedings for the winding-up, judicial management, dissolution, arrangement, reconstruction or reorganisation of the Covered Bond Guarantor or for the appointment of a liquidator, receiver (including receiver and manager), administrator, trustee, judicial manager or similar officer in respect of the Covered Bond Guarantor or over any or all of its assets or undertaking.

18 Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Covered Bonds under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Covered Bonds expressly provide for such Act to apply to any of their terms.

19 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Covered Bonds, the Receipts, the Coupons, the Talons and the Covered Bond Guarantee 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, save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law.
- (b) **Jurisdiction:**
- (i) Subject to sub-paragraph (iii), the Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Covered Bonds, Receipts, Coupons or Talons or the Covered Bond Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Covered Bonds, Receipts, Coupons or Talons or the Covered Bond Guarantee ("**Proceedings**") may be brought in such courts.
 - (ii) Each of the Issuer and the Covered Bond Guarantor irrevocably submits to the exclusive jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
 - (iii) This submission is made for the benefit of each of the holders of the Covered Bonds, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (c) **Service of Process:** Each of the Issuer and the Covered Bond Guarantor has in the Trust Deed agreed that Malayan Banking Berhad, London Branch at its registered office at 77 Queen Victoria Street, London, EC4V 4AY, United Kingdom shall accept service of process on its behalf in respect

of any Proceedings in England. If Malayan Banking Berhad, London Branch ceases to be able to accept service of process in England, each of the Issuer and the Covered Bond Guarantor shall immediately appoint a new agent to accept such service of process in England.

20 Headings

Headings are for convenience only and do not affect the interpretation of these Conditions.

SUMMARY OF PROVISIONS RELATING TO THE COVERED BONDS WHILE IN GLOBAL FORM

Initial Issue of Covered Bonds

The Covered Bonds will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest and their issue price), the Covered Bonds of each Series being intended to be interchangeable with all other Covered Bonds of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement to this Offering Circular.

Global Covered Bonds and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary or CDP.

Upon the initial deposit of a Global Covered Bond with a Common Depositary, CDP or a sub-custodian for the HKMA as operator of the CMU or registration of Registered Covered Bonds in the name of any nominee for CDP, the HKMA, Euroclear and Clearstream and delivery of the relative Global Certificate to the Common Depositary, CDP or the CMU (as the case may be) will credit each subscriber with a nominal amount of Covered Bonds equal to the nominal amount thereof for which it has subscribed and paid.

Covered Bonds that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Pricing Supplement) other clearing systems through direct or indirect accounts with CDP and/or the CMU and/or Euroclear and Clearstream held by such other clearing systems. Conversely, Covered Bonds that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with CDP, the CMU, Euroclear, Clearstream or other clearing systems.

While any Covered Bond is represented by a Temporary Global Covered Bond, payments of principal, interest (if any) and any other amount payable in respect of the Covered Bonds due prior to the Exchange Date will be made against presentation of the Temporary Global Covered Bond only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Covered Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by CDP and/or the CMU Lodging and Paying Agent and/or Euroclear and/or Clearstream and (in the case of a Temporary Global Covered Bond delivered to a Common Depositary for Euroclear and/or Clearstream) Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Agent or (in the case of Covered Bonds cleared through CDP) CDP has given a like certificate (based on the certification it has received) to the CDP Paying Agent.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of CDP, Euroclear, Clearstream or any other permitted clearing system (“**Alternative Clearing System**”) as the holder of a Covered Bond represented by a Global Covered Bond or a Global Certificate must look solely to CDP, Euroclear, Clearstream or any 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 Covered Bond or the holder of the underlying Registered Covered Bonds, as the case may be, and in relation to all other rights arising under the Global Covered Bonds or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream 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 Covered Bonds for so long as the Covered Bonds are represented by such Global Covered Bond or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Covered Bond or the holder of the underlying Registered Covered Bonds, as the case may be, in respect of each amount so paid.

If a Global Covered Bond or Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Covered Bond or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules shall be the only person(s) entitled (or, in the case of Registered Covered Bonds, directed or deemed by the CMU as entitled) to receive payments in respect of Covered Bonds represented by such Global Covered Bond or Global Certificate and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Covered Bond (or Global Certificate are credited as being held in the CMU in respect of each amount so paid). Each of the persons shown in the records of the CMU as the beneficial holder of a particular nominal amount of Covered Bonds represented by such Global Covered Bond or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by the Issuer in respect of such Global Covered Bond or Global Certificate.

Exchange

1 Temporary Global Covered Bonds

Each Temporary Global Covered Bond will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) if the applicable Pricing Supplement indicates that such Global Covered Bond is issued in compliance with TEFRA C 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 Covered Bonds defined and described below; and
- (b) 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 Covered Bond or, if so provided in the applicable Pricing Supplement, for Definitive Covered Bonds.

The CMU may require that any such exchange for a Permanent Global Covered Bond is made in whole and not in part and, in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Issue Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

2 Permanent Global Covered Bonds

Each Permanent Global Covered Bond will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “*Partial Exchange of Permanent Global Covered Bonds*” of paragraph 3 below, in part for Definitive Covered Bonds:

- (a) if the Permanent Global Covered Bond is held on behalf of the CMU, Euroclear or Clearstream 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 does in fact do so; or
- (b) if the Permanent Global Covered Bond is held on behalf of CDP, (a) an Issuer Event of Default, enforcement event or analogous event entitling an accountholder or the Bond Trustee to declare the Covered Bonds to be due and payable as provided in the Conditions has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, 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 depositary for the Covered Bonds and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available; or

- (c) if principal in respect of any Covered Bonds is not paid when due, by the holder giving notice to the Issuing and Paying Agent (or, in the case of Covered Bonds lodged with the CMU, the CMU Lodging and Paying Agent) of its election for such exchange.

In the event that a Global Covered Bond is exchanged for Definitive Covered Bonds, such Definitive Covered Bonds shall be issued in Specified Denomination(s) only. A Covered Bondholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Covered Bond in respect of such holding and would need to purchase a nominal amount of Covered Bonds such that it holds an amount equal to one or more Specified Denominations.

Covered Bonds which are represented by a Global Covered Bond will only be transferable in accordance with the rules and procedures for the time being of CDP, the CMU, Euroclear or Clearstream or the Alternative Clearing System.

3 Global Certificates

If the Pricing Supplement states that the Covered Bonds are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Covered Bonds held in CDP, the CMU, Euroclear or Clearstream or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Covered Bonds within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Covered Bonds may be withdrawn from the relevant clearing system. Transfers of the holding of Covered Bonds represented by any Global Certificate pursuant to Condition 2(b) may be made:

- (a) in part, if the Global Certificate is held on behalf of the CMU, Euroclear or Clearstream 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
- (b) in whole but not in part, if the Global Certificate is held on behalf of CDP, (i) an Issuer Event of Default, enforcement event or analogous event entitling an accountholder or the Bond Trustee to declare the Covered Bonds to be due and payable as provided in the Conditions has occurred and is continuing, (ii) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (iii) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (iv) CDP has notified the Issuer that it is unable or unwilling to act as depositary for the Covered Bonds and to continue performing its duties as set out in the terms and conditions for the provision of depository services (including such supplements thereto and/or restatements thereof made from time to time) and no Alternative Clearing System is available; or
- (c) in whole or in part, with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (a) above, the registered holder of the Covered Bonds (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.

4 Delivery of Covered Bonds

On or after any due date for exchange, the holder of a Global Covered Bond may surrender such Global Covered Bond or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of Covered Bonds lodged with the CMU, the CMU Lodging and

Paying Agent). In exchange for any Global Covered Bond, or the part thereof to be exchanged, the Issuer will:

- (a) in the case of a Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond, deliver, or procure the delivery of, a Permanent Global Covered Bond in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Covered Bond that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Covered Bond to reflect such exchange; or
- (b) in the case of a Global Covered Bond exchangeable for Definitive Covered Bonds, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Covered Bonds. Global Covered Bonds and Definitive Covered Bonds will be delivered outside the United States and its possessions. In this Offering Circular, “**Definitive Covered Bonds**” means, in relation to any Global Covered Bond, the definitive Bearer Covered Bonds for which such Global Covered Bond may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Covered Bond and, if applicable, a Talon). Definitive Covered Bonds 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 Covered Bond, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Covered Bonds.

5 Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Covered Bond, the first day following the expiry of 40 days after its issue date and, in relation to a Permanent Global Covered Bond, a day falling not less than 60 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.

Amendment to Conditions

The Global Covered Bonds and Global Certificates contain provisions that apply to the Covered Bonds that they represent, some of which modify the effect of the terms and conditions of the Covered Bonds set out in this Offering Circular. The following is a summary of certain of those provisions:

(a) Payments

Except in the case of Definitive Covered Bonds where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Covered Bonds which are represented by a Global Covered Bond, the aggregate outstanding nominal amount of the Fixed Rate Covered Bonds represented by such Global Covered Bond; or
- (ii) in the case of Fixed Rate Covered Bonds in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

No payment falling due after the Exchange Date will be made on any Global Covered Bond unless exchange for an interest in a Permanent Global Covered Bond or for Definitive Covered Bonds is improperly withheld or refused by or on behalf of the Issuer. Payments on any Temporary Global Covered Bond issued in compliance with TEFRA D 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 and there shall have been certification dated no earlier than such due date for

payment. All payments in respect of Covered Bonds represented by a Global Covered Bond (except with respect to a Global Covered Bond held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Covered Bonds, surrender of that Global Covered Bond to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Covered Bondholders for such purpose. A record of each payment so made will be endorsed on each Global Covered Bond, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Covered Bonds. For the purpose of any payments made in respect of a Global Covered Bond, the relevant place of presentation shall be disregarded in the definition of "Payment Day" set out in Condition 6(j)).

All payments made in respect of Covered Bonds represented by a Global Certificate held on behalf of Euroclear or Clearstream 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 on 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, or in the case of the CMU, a day on which the CMU is operating and open for business.

All payments made in respect of Covered Bonds represented by a Global Certificate held by 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 fifth business day prior to the date of payment.

In respect of a Global Covered Bond or Global Certificate representing Covered Bonds held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Covered Bond or Global Certificate are credited (as set out in the records of the CMU) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant bearer Global Covered Bond or Global Certificate shall be required for such purpose.

(b) **Prescription**

Claims against the Issuer in respect of principal and interest (as each is defined in the Conditions) in respect of Covered Bonds that are represented by a Permanent Global Covered Bond shall 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 7).

(c) **Meetings**

The holder of a Permanent Global Covered Bond or of the Covered Bonds represented by a Global Certificate shall (unless such Permanent Global Covered Bond or Global Certificate represents only one Covered Bond) be treated as being two persons for the purposes of any quorum requirements of a meeting of Covered Bondholders and, at any such meeting, the holder of a Permanent Global Covered Bond shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Covered Bonds. All holders of Registered Covered Bonds are entitled to one vote in respect of each Covered Bond comprising such Covered Bondholder's holding, whether or not represented by a Global Certificate.

(d) **Cancellation**

Cancellation of any Covered Bond represented by a Permanent Global Covered Bond that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of the relevant Permanent Global Covered Bond representing such

Covered Bond on its presentation to or to the order of, as the case may be, the Issuing and Paying Agent, CMU Lodging Agent or CDP Paying Agent for endorsement.

(e) **Purchase**

Covered Bonds represented by a Permanent Global Covered Bond may, at any time, only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the right to receive all future payments of interest and Instalment Amounts (if any) thereon.

(f) **Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Covered Bonds while such Covered Bonds are represented by a Permanent Global Covered Bond shall be exercised by the Issuer giving notice to the Covered Bondholders 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 Bearer Covered Bonds drawn, or in the case of Registered Covered Bonds, shall not be required to specify the nominal amount of Registered Covered Bonds drawn and the holder(s) of such Registered Covered Bond, in the case of a partial exercise of an option and accordingly no drawing of Covered Bonds shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Covered Bonds of any Series, the rights of accountholders with a clearing system in respect of the Covered Bonds will be governed by the standard procedures of CDP, the CMU, Euroclear and/or Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in nominal amount, at their discretion) or any other clearing system (as the case may be).

(g) **Bond Trustee's Powers**

So long as any Global Covered Bond is, or any Covered Bond represented by a Global Certificate are, held on behalf of a clearing system, in considering the interests of Covered Bondholders, the Bond 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 or participants with entitlements to any such Global Covered Bond or the Registered Covered Bonds and may consider such interests on the basis that such accountholders or participants were the holder(s) thereof.

(h) **Direct Rights in respect of Covered Bonds cleared through CDP**

If any Issuer Event of Default entitling the Bond Trustee to declare the Covered Bonds to be due and payable as provided in the Conditions has occurred and is continuing, the Bond Trustee may exercise the right to declare the Covered Bonds due and payable in the circumstances described in the Conditions by stating in a notice given to the CDP Paying Agent and the Issuer (the "**default notice**") the nominal amount of Covered Bonds (which may be less than the outstanding nominal amount of the Global Covered Bond or Global Certificate) which is being declared due and payable. Following the giving of the default notice, the holder of the Covered Bonds represented by the Global Covered Bond or Global Certificate, as the case may be, cleared through CDP may (subject as provided below) elect that direct rights ("**Direct Rights**") under the provisions of the deeds of covenant executed as a deed by the Issuer on 19 March 2024 (the "**CDP Deed of Covenant**") shall come into effect in respect of a nominal amount of Covered Bonds up to the aggregate nominal amount in respect of which such default notice has been given. Such election shall be made by notice to the CDP Paying Agent and the Registrar in the case of the Global Certificate and presentation of the Global Covered Bond or Global Certificate, as the case may be, to or to the order of the Issuing and Paying Agent for reduction of the nominal amount of Covered Bonds represented by the Global Covered Bond or Global Certificate, as the case may be, by such amount as may be stated in such notice and by endorsement of the appropriate Schedule hereto of the nominal amount

of Covered Bonds in respect of which Direct Rights have arisen under the CDP Deed of Covenant. Upon each such notice being given, the Global Covered Bond or Global Certificate, as the case may be, shall become void to the extent of the nominal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect.

No such election may however be made on or before the Exchange Date or the date of transfer in respect of a Global Certificate unless the holder elects in such notice that the exchange for such Covered Bonds shall no longer take place.

(i) **Notices**

So long as any Covered Bonds are represented by a Global Covered Bond or Global Certificate and such Global Covered Bond or Global Certificate is held on behalf of a clearing system, notices to the holders of Covered Bonds of that Series shall be given by delivery of the relevant notice to that clearing system (subject, in the case of the Global Covered Bond or Global Certificate held by CDP, to the agreement of CDP) for communication by them to entitled accountholders in substitution for notification as required by the Conditions except that if the Covered Bonds are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published in accordance with the Conditions. Notice shall be deemed to have been given to holders of Covered Bonds of that Series on the date on which such notice is delivered to that clearing system or is published on the website of the SGX-ST, or if delivered or published on different dates, on the first date on which such notice is delivered or published (as the case may be).

(j) **Electronic Consent and Written Resolution**

For so long as the Covered Bonds are in the form of a Global Covered Bond held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream or another clearing system, then, in respect of any resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee:

- (i) where the terms of the proposed resolution have been notified to the Covered Bondholders through the relevant clearing system(s), each of the Issuer, the Covered Bond Guarantor and the Bond Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90% in nominal amount of the Covered Bonds outstanding (an “**Electronic Consent**” as defined in the Trust Deed). None of the Issuer, the Covered Bond Guarantor, the Bond Trustee or any of their respective directors, officers, employees or agents shall be liable or responsible for such reliance; and
- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer, the Covered Bond Guarantor and the Bond Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Covered Bond Guarantor and/or the Bond Trustee, as the case may be, by accountholders in the clearing system with entitlements to such Global Covered Bonds or Global Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and *provided that*, in each case, the Issuer, the Covered Bond Guarantor and the Bond Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting or implementation of such consent or instruction. Any resolution passed in

such manner shall be binding on all Covered Bondholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “**commercially reasonable evidence**” includes any certificate or other document issued by Euroclear, Clearstream or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain as the Issuer, the Covered Bond Guarantor and/or the Bond Trustee in their absolute discretion may require and accept in relation to the holding of interests in the Covered Bondholders, in relation to the holding of interests in the Covered Bonds. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Covered Bonds is clearly identified together with the amount of such holding. None of the Issuer, the Covered Bond Guarantor or the Bond Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or document evidence to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Covered Bondholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

CLEARING AND SETTLEMENT

The following is a summary of the rules and procedures of CDP, the CMU, Euroclear and Clearstream (together, the “Clearing Systems”), currently in effect, as they relate to clearing and settlement of transactions involving the Covered Bonds. The rules and procedures of these systems are subject to change at any time. 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. None of the Issuer, the Arrangers, any Dealer nor any 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 Covered Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The applicable Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream

Euroclear and Clearstream 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 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 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 and Clearstream 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 participant, either directly or indirectly. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Distributions of principal with respect to book-entry interests in the Covered Bonds held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system’s rules and procedures.

Each of the persons shown in the records of Euroclear, Clearstream or an Alternative Clearing System as the holder of a Covered Bond represented by a Global Covered Bond or a Global Certificate must look solely to Euroclear, Clearstream or any 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 Covered Bond or the holder of the underlying Registered Covered Bonds, as the case may be, and in relation to all other rights arising under the Global Covered Bonds or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, 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 Covered Bonds for so long as the Covered Bonds are represented by such Global Covered Bond or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Covered Bond or the holder of the underlying Registered Covered Bonds, as the case may be, in respect of each amount so paid.

Beneficial ownership in Covered Bonds will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream. The aggregate holdings of book-entry interests in the Covered Bonds in Euroclear and Clearstream will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Covered Bonds, will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interest in the Covered Bonds. The Issuing and Paying Agent will be responsible for ensuring that payments received by

it from the Issuer for holders of interests in the Covered Bonds holding through Euroclear and Clearstream are credited to Euroclear or Clearstream, as the case may be.

CDP

In respect of Covered Bonds 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.

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 Covered Bonds which are accepted for clearance by CDP, the entire issue of the Covered Bonds is to be held by CDP in the form of a Global Covered Bond for persons holding the Covered Bonds in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Covered Bonds 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 Covered Bonds through the Depository System may be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Covered Bonds in direct securities accounts with CDP, and who wish to trade Covered Bonds through the Depository System, must transfer the Covered Bonds to be traded from such direct securities accounts 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 Covered Bonds 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 Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

The CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service ("**CMU Members**") of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together, "**CMU Instruments**") which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all financial institutions regulated by the Hong Kong Monetary Authority, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU's custodial services, please refer to the CMU Reference Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the "**income proceeds**") by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual. An investor holding an interest through an

account with either Euroclear or Clearstream, in any Covered Bonds held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, each have with the CMU.

Book-Entry Ownership

Bearer Covered Bonds

The Issuer will make applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Covered Bonds. The Issuer may also apply to have Bearer Covered Bonds accepted for clearance through CDP and the CMU. In respect of Bearer Covered Bonds, a Temporary Global Covered Bond and/or a Permanent Global Covered Bond in bearer form without coupons will be deposited with a Common Depositary for Euroclear and Clearstream and/or sub-custodian for CDP and the CMU. Transfers of interests in a Temporary Global Covered Bond or a Permanent Global Covered Bond will be made in accordance with the normal Euromarket debt securities operating procedures of CDP, the CMU, Euroclear and Clearstream. Each Global Covered Bond will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

Registered Covered Bonds

The Issuer may make applications to CDP, the CMU and Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of the Covered Bonds to be represented by each Global Certificate. Each Global Certificate will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

All Registered Covered Bonds will initially be in the form of a Global Certificate. Individual definitive Registered Covered Bonds will only be available in amounts specified in the applicable Pricing Supplement, in certain limited circumstances described below.

Individual Certificates

Registration of title to Registered Covered Bonds in a name other than a depositary or its nominee for Euroclear and Clearstream or a sub-custodian for the CDP or the CMU will not be permitted unless Euroclear or Clearstream or a sub-custodian for the CMU 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, if such Global Certificate is held on behalf of CDP, and there shall have occurred and be continuing an Issuer Event of Default or CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or CDP announces an intention permanently to cease business and no Alternative Clearing System is available or CDP has notified the Issuer that is unable or unwilling to act as depositary for the Covered Bonds and to continue performing its duties under the Master Depositary Services Agreement and no Alternative Clearing System is available. In such circumstances, the Issuer will cause sufficient individual definitive Registered Covered Bonds to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Covered Bondholder(s).

A person having an interest in a Global Certificate must provide the Registrar with:

- (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Registered Covered Bonds; and
- (b) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange.

Transfers of Registered Covered Bonds

Transfers of interests in Global Certificates within CDP, the CMU, Euroclear and Clearstream will be effected in accordance with the usual rules and operating procedures of the relevant clearing system.

Beneficial interests in a Global Certificate may be held only through CDP, the CMU, Euroclear or Clearstream.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Covered Bonds will be used for the Issuer's general banking and other corporate purposes, including but not limited to working capital of the Issuer.

DESCRIPTION OF THE BUSINESS OF THE BANK

Introduction

The Maybank Group is a leading banking group in Asia and is the fifth largest Islamic Bank globally. Maybank Group has an international network of 2,597 branches in 18 countries including all 10 ASEAN countries, with over 42,000 employees worldwide. With Maybank Group's global business footprint, its clients have access to vast opportunities across ASEAN and beyond.

MSL, a Singapore-incorporated subsidiary of Maybank Group with Qualifying Full Bank (“QFB”) privileges, is one of the Maybank Group's largest overseas operations. Maybank Group established its footprint in Singapore in 1960 with the opening of the Maybank Group's first branch at South Bridge Road, and has since established a significant presence in the retail, wholesale, and global banking markets. Arising from its significant growth and presence, MSL has been identified as one of the domestic systemically important banks (“D-SIBs”) in 2015 by the Monetary Authority of Singapore (“MAS”). MSL offers a range of financial solutions and services that caters to different customer segments including retail customers, private wealth clients and small and medium enterprises.

To date, MSL operates a network of 18 banking branches, 4 Premier Wealth Centres, a Private Wealth Lounge and 27 ATMs to serve its customers' banking needs. Customers can also access atm5 – Singapore's only shared ATM network among six participating QFBs which offers a combined reach of more than 200 ATMs in Singapore.

As at 31 December 2023, MSL's total assets were S\$39.3 billion. MSL has strategically located branches in the business district and suburban estates of Singapore, and is positioned to provide personalised services and locally oriented solutions to its customers.

Strategy and Focus

MSL's M25+ strategy is anchored on two pillars – first, on strengthening its domestic franchise and second, on spearheading its regional aspirations. On the domestic front, MSL continues to focus on wealth management propositions for retirement planning and financially enabling its relevant ecosystem. MSL also continues to enhance its digital capabilities to create value for well-established SMEs and financially enable retail SMEs, including young entrepreneurs. On the regional front, MSL continues to strengthen its Malaysia-Singapore (“MY-SG”) connection to facilitate cross-border business and personal banking for Malaysians in Singapore. Within ASEAN, MSL strives to strengthen its value proposition for active corporates and is building key trade capabilities to be an active player in the region. MSL is also leveraging on strong relationships with regional businesses to enhance its wealth management proposition and capabilities. This includes Islamic Banking products, where MSL strives to be the leading regional Islamic Wealth Management Hub for both retail and non-retail segments. MSL is also growing its footprint within the Halal Ecosystem through collaborations with key stakeholders.

On top of the M25+ strategy, MSL is also ramping up its Sustainability and Digital initiatives, which is anchored on the following three pillars:

- **Responsible Transition:** Transitioning to a low carbon economy, balancing environmental and social imperatives with MSL's stakeholders' expectations;
- **Enabling MSL's Communities:** Building community resilience across ASEAN and undertaking responsive actions to promote economic development and social well being; and
- **Our House Is In Order & We Walk The Talk:** Leading by example with good management practices and ensuring that MSL's ESG strategy is based upon a strong foundation.

The sustainability commitments of MSL are aligned to those of the Maybank Group. The Maybank Group is committed to achieve the following:

- To mobilise RM80 billion in sustainable finance by 2025 – Facilitating the movement of capital towards sustainable financing and investments, through direct lending, investments, syndication, fundraising, underwriting and advisory, while integrating ESG criteria to bring about sustainable development outcomes and support the transition to a low carbon economy.
- To improve the lives of two million households across ASEAN by 2025 – Leveraging the Maybank Group's regional presence and its flagship programmes, the Maybank Group aims to contribute towards the betterment of communities across ASEAN. The Maybank Group aims to create a more equitable society by equipping communities with lifelong financial skills and knowledge, addressing communities' current and situational needs, as well as building their financial resilience.
- To achieve a carbon neutral position of its own emissions by 2030 and net zero carbon equivalent position by 2050 – The carbon neutral by 2030 commitment refers to the Maybank Group's own emissions, while the net zero by 2050 commitment refers to maintaining a balance between all direct and indirect CO₂e emissions and removals, encompassing the Maybank Group's operations and the business activities financed across the Maybank Group. The Maybank Group will work both internally and with its external suppliers to minimise the environmental impact of its operations across the entire value chain. Additionally, the Maybank Group is committed towards lowering the financed emissions of its business portfolio.
- To achieve 1 million hours annually on sustainability-led projects and delivering 1,000 significant sustainability development goals related outcomes by 2025 – Employees play a pivotal role in ensuring that sustainable actions and thinking are embedded across the Maybank Group. The Maybank Group is committed to fostering a sustainability culture among employees by strengthening its business ethics, policies and practices, embracing diversity and inclusivity, and scaling up its employee volunteerism programmes.

MSL's Digital Strategy for financial year 2024 and beyond involves strengthening its digital positioning as the preferred SG-MY bank by building enhanced functionalities into its existing digital banking capabilities. This includes offering digital cross border payment services, building a digital ecosystem to streamline processes which further entrenches the relationship with its customers (such as through its Auto Finance & Hire Purchase dealer ecosystem), creating digital wealth products to complement its offline wealth business, attracting younger customers and providing SMEs with digital solutions to bridge any learning curve, manage their businesses efficiently and to facilitate their growth.

Competitive Strengths

Strong Competitive Positioning

Maybank Group is the largest financial services group in Malaysia with an established presence in all 10 ASEAN countries, as well as key international financial centres. Singapore is one of the Maybank Group's key "home markets" and one of the Maybank Group's largest overseas operations.

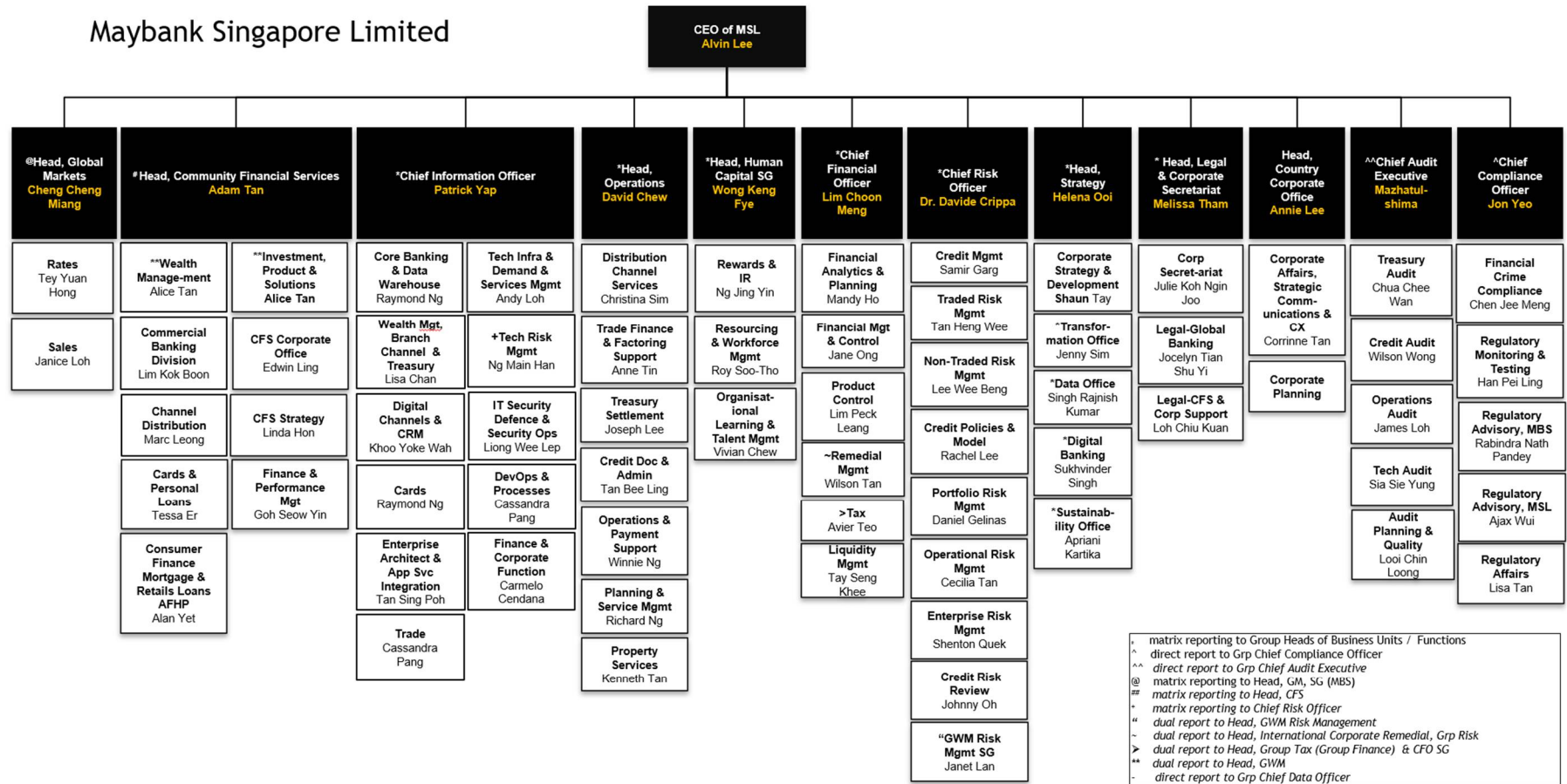
This strong regional presence and network serves as a competitive advantage for MSL, and the M25+ Strategic Themes (MY-SG and ASEAN+) leverages on this advantage to facilitate cross-border banking between Singapore and Malaysia, serve the needs of Malaysians in Singapore and facilitate trade within the ASEAN region.

Additionally, Singapore's role as a financial hub provides the Maybank Group with the opportunity to tap into diverse markets and capitalise on Singapore's reputation for financial expertise. Singapore is a strategic location for the Maybank Group to establish itself as a global wealth management hub, and MSL is the Centre of Excellence for wealth management in the Maybank Group.

MSL also realised operational efficiencies across all business sectors through the implementation of its cost management programs. MSL has achieved a cost to income ratio of 66.1% in the financial year ended 31 December 2023.

Bank Structure

The structure of the Bank's management as at the date of the Offering Circular is set out below:



Business Sectors

The Bank offers banking services to retail (personal banking, privilege wealth, premier wealth), private wealth and SME enterprises.

Retail Banking

The Bank offers a wide range of personal banking services, including Current and Savings Accounts, loans, credit cards, investment products, insurance, Islamic Banking and online banking facilities. The bank also offers specialised banking and wealth management services for Privilege and Premier banking customers.

Private Wealth Banking

Maybank Private carries a comprehensive suite of products and bespoke solutions to cater to high net worth individuals, including personalised financial and investment advice, wealth management, and legacy planning.

SME Enterprises Banking

The Bank offers business banking services for Small and Medium Enterprises (SMEs), including deposits, business financing, trade finance and payment solutions. Beyond banking, Maybank SME is one of six digital partners in the Start Digital Programme, which assists SMEs propel their business through the adoption of digital capabilities.

Legal Proceedings

As at 31 December 2023 to the Bank's knowledge, the Bank was not involved in any legal or arbitration proceedings (including any proceedings which were pending or threatened of which the Bank was aware) which would have had a material effect on the financial position of the Bank.

ASSET QUALITY

The Bank continues to manage its balance sheet in line with its risk posture, ensuring both loans and deposit growths were balanced to protect its net interest margin and reduce liquidity surplus, in light of the challenging external environment.

In 2023, the Bank's gross loans grew year-on-year to S\$24.8 billion.

Profile of impaired loans, advances and financing

The allowances for impairment losses on financial assets for the financial year ended 31 December 2023 was S\$71.5 million as opposed to S\$73.6 million for the financial year ended 31 December 2022.

MSL has remained committed in providing support to the borrowers and the broader economy to ensure viability of business. Arising from some recoveries and repayments of specific borrowers as well as write-offs of older impairments, the Bank Gross Impaired Loans ("**GIL**") ratio increased to 0.8% year-on-year as at 31 December 2023 from 0.4% as at 31 December 2022.

The composition of the Bank's bills receivable and loans and advances to non-bank customers portfolio as at 31 December 2023 is set out in Note 17 of the Bank's audited financial statements for the financial year ended 31 December 2023. Further information in relation to the Bank's impaired credit facilities is set out in Note 18 of the Bank's audited financial statements for the financial year ended 31 December 2023.

Financial Assets at Fair Value Through Profit or Loss ("**FVTPL**")

Financial assets at FVTPL are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Singapore Financial Reporting Standards (International) 9 ("**SFRS(I)9**").

As at 31 December 2023, the Bank's Financial Assets at FVTPL constituted 0.1% of its total financial assets. The Bank's financial assets at FVTPL as at 31 December 2023 are derivative financial instruments of S\$26.3 million.

Further information in relation to the Bank's Financial Assets at FVTPL is set out in Note 36 of the Bank's audited financial statements for the financial year ended 31 December 2023.

Financial Assets at Fair Value Through other Comprehensive Income ("**FVOCI**")

The Bank measures debt instruments at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial assets meet the solely payments of principal and interest ("**SPPI**") test.

Included in financial assets at FVOCI are financial instruments.

The Bank's FVOCI portfolio as at 31 December 2023 mainly consisted of government securities and treasury bills (95.4%), and other debt securities (4.6%).

Further information in relation to the Bank's FVOCI is set out in Notes 36 of the Bank's audited financial statements for the financial year ended 31 December 2023.

Financial Assets at Amortised Cost

The Bank measures financial assets at amortised cost if both of the following conditions are met

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Included in financial assets at amortised cost are cash and balances with central bank, government securities and treasury bills, other debt securities, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers, amounts due from related corporations, and other assets.

As at 31 December 2023, financial assets at Amortised Cost constituted 94.5% of the Bank's total financial assets. The Bank's financial assets at Amortised Cost as at 31 December 2023 mainly consisted of government securities and treasury bills (4.7%).

Further information in relation to the Bank's financial assets at Amortised Cost are set out in Notes 36 to the Bank's audited financial statements for the financial year ended 31 December 2023.

Material Accounting Policy Information

Note 2 of the Bank's audited financial statements for the financial year ended 31 December 2023 sets out the Bank's material accounting policy information.

Details of the amendments to SFRS(I) issued and effective for annual periods beginning on or after 1 January 2024 are in Note 2.3 of the Bank's audited financial statements for the financial year ended 31 December 2023.

RISK MANAGEMENT

Overview

Under the Bank's risk governance structure, the Board of Directors has overall responsibility for risk management oversight, including financial risk management. The Board approves the Bank's risk management framework and risk appetite; and ensures that Senior Management takes the necessary steps to identify, measure, control and monitor the risks.

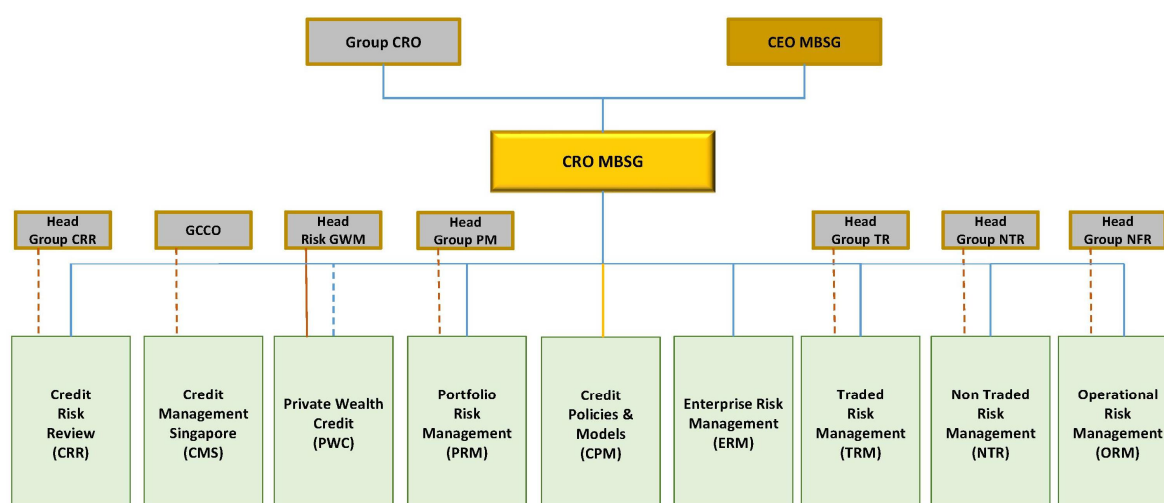
Board oversight is supported by a Board level Committee - the Risk Management and Compliance Committee ("**RMCC**"). In addition, the Board is supported by several Executive Level Risk Management Committees - the Singapore Management Committee ("**SMC**"), the Executive Risk Management Committee ("**ERC**"), the Credit Committee Singapore ("**CCS**"), Non-Financial Risk Committee ("**NFRC**") and the Asset Liability Management Committee ("**ALCO**").

The RMCC, SMC, ERC, CCS, NFRC and ALCO ensure that sound risk management policies and procedures are in place. Policies are established to manage/address the risks while limits and controls are set and constantly monitored to keep exposures within tolerance levels.

Group Risk Structure

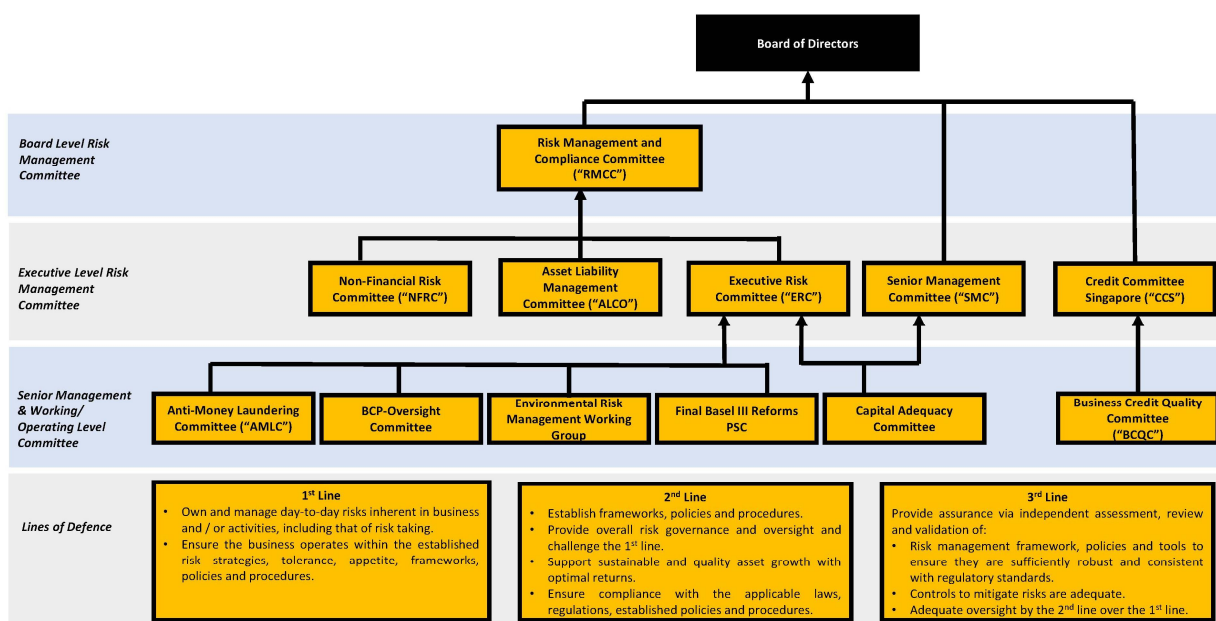
The Bank is also subject to oversight from the Maybank Group's risk strategy.

Group Risk provides oversight of risk management on an enterprise-wide level through the establishment of the Maybank Group's risk strategies, frameworks and policies, with independent assessment and monitoring of all risks challenges. The following diagram shows the key pillars of Group Risk functions:



Risk Governance and Oversight

The governance model adopted in the Bank provides a formalised, transparent and effective governance structure that promotes active involvement from the Board and Senior Management in the risk management process to ensure a uniform view of risk across the Bank. The governance model places accountability and ownership in ensuring an appropriate level of independence and segregation of duties between the three lines of defence. The management of risk broadly takes place at different hierarchical levels and is emphasised through various levels of committees, business lines, control and reporting functions. The Bank's overall risk governance structure is as illustrated below:



Risk Management Framework

The Bank's risk management framework facilitates effective risk oversight through a sound and well-defined internal governance model, with a clear structure of risk ownership and accountability. The framework is supported by other risk policies and detailed procedures/guidelines to guide businesses in proactive risk management, whilst working towards achieving their business objectives. The risk management framework is reviewed regularly to keep it relevant to the Bank's business strategy and prevailing market conditions.



MANAGEMENT

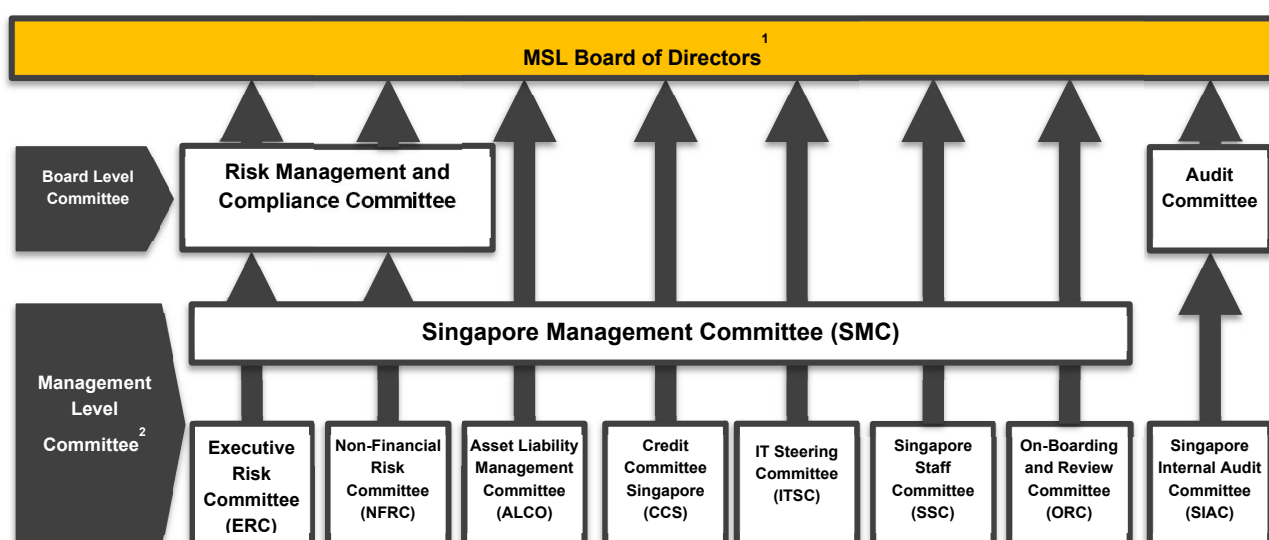
Board of Directors

The Board of Directors of the Bank (the “**Board**”) is committed to observe good corporate governance which enables the Bank to operate efficiently, mitigate risks, and facilitate oversight of the business, management and operations of the Bank. The Board works with Senior Management to deliver long-term success of the Bank and sustainable shareholder value, taking into account the interest of other stakeholders. In order to meet this objective, the Board continuously strives to refine the Bank’s corporate governance practices and processes to meet the increasingly challenging operating environment. This is to ensure that the Bank’s competitive edge both locally and regionally remains undiminished.

The Bank’s Corporate Governance Framework is premised upon the following statutory provisions and guidelines:

- Banking (Corporate Governance) Regulations 2005 (“**CG Regulations**”); and;
- Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore issued by MAS on 9 November 2021 (“**CG Guidelines**”).

The corporate governance framework is as follows:



(1) MSL Board performs the Nominating Committee function. The function of the Remuneration Committee is performed by Maybank Group Nomination & Remuneration Committee.

(2) These committees will dual hat for Maybank Branch Singapore (“**MBS**”) as well.

The Board is committed in ensuring diversity and inclusion in its composition and decision-making process. In this regard, the Board considers diversity from different aspects including cultural and educational background, nationality, professional experience, skills, knowledge and length of service. While the Bank recognises the importance of diversity at the Board, appointments to the Board will first and foremost be based on the merits and credentials of each candidate and if the appointment of a candidate would complement or enhance the existing mix of skill and experience of the Board.

The Board determines the ability of the independent non-executive Directors (“**INED**”) to continue bringing independent and objective judgment to the Board deliberations. Additionally, the Board considers if there are any grounds or reasons that have come to their attention that may affect the independent status of the INEDs.

The Board assess on an annual basis the independence of each director based on the criteria in the CG Regulations and the CG Guidelines and whether each director remains fit and proper and qualified for the office based on the MAS Guidelines on Fit and Proper Criteria, taking into account the director's track record, age, experience, capabilities, skills and such other relevant facts as may be determined by the Board.

The Board has established two (2) board committees ("**Board Committees**") being the Audit Committee of the Board ("**ACB**") and Risk Management and Compliance Committee of the Board ("**RMCC**"). The ACB and the RMCC have been constituted in accordance with the CG Regulations and each Board Committee has written terms of reference which set out the committee's responsibilities. Each Board Committee provides a report of its activities and minutes of meetings to the Board on a timely basis. In turn, the Board may issue relevant instructions or request to such committees to conduct reviews concerning such matters or on any other matters which concern them, in accordance with their respective terms of reference.

As at the date of this Offering Circular, the Board consists of seven (7) Directors, comprising:

- three (3) non-independent non-executive Directors; and
- four (4) independent non-executive Directors.

Name of Director(s)	Position
Datuk R. Karunakaran	Chairman of the Board / Non- Independent Non-Executive Director
Dato' Khairussaleh Bin Ramli	Member / Non-Independent Non-Executive Director
Anthony Brent Elam	Member / Non-Independent Non-Executive Director
Spencer Lee Tien Chye	Member / Independent Non-Executive Director
Wong Heng Ning Kevin	Member / Independent Non-Executive Director
Lee Yong Guan	Member / Independent Non-Executive Director
Renato Tinio De Guzman	Member / Independent Non-Executive Director

Datuk R. Karunakaran

Chairman of the Board

Non-Independent Non-Executive Director

Datuk R. Karunakaran is the Chairman and a non-independent non-executive Director of the Bank. He joined the Board on 1 October 2018 and was last re-appointed on the Board on 1 October 2021.

Datuk R. Karunakaran joined the Malaysian Investment Development Authority ("**MIDA**") in August 1972 and served in various positions including Director and Director-General. MIDA is responsible for the promotion and coordination of the development of the manufacturing and services sector in Malaysia including promoting domestic and foreign investment. Having served MIDA for about 36 years, he retired as the Director-General of MIDA in June 2008.

Dato' Khairussaleh Bin Ramli

Non-Independent Non-Executive Director

Dato' Khairussaleh Ramli is a non-independent non-executive Director of the Bank. He joined the Board on 1 August 2022.

Dato' Khairussaleh Ramli is the President & Group Chief Executive Officer of Maybank. Prior to re-joining Maybank, Dato' Khairussaleh was the Group Managing Director of RHB Banking Group, where he was responsible for charting the strategic direction and leading the RHB Banking Group to achieve its goals and value creation objectives. He brings with him a wealth of knowledge and experience from the financial services and capital markets industry of close to 30 years.

Prior to joining RHB Banking Group, Dato' Khairussaleh Ramli was with Maybank between November 2008 and September 2013, having served over three years as the Group Chief Financial Officer before taking up the position of President Director and Chief Executive Officer of PT Bank Maybank Indonesia Tbk.

Anthony Brent Elam

Non-Independent Non-Executive Director

Risk Management and Compliance Committee Member

Mr Anthony Brent Elam is a non-independent non-executive Director of the Bank. He joined the Board on 1 October 2018 and was last re-appointed on the Board on 1 October 2021. He ceased to be a member of the ACB on 1 January 2022 and was appointed as a member of the RMCC on 1 January 2022.

Mr Elam had been a Director of PT Bank Central Asia Tbk ("**BCA**") since 2002. He was also the Chief Risk Officer and Director of Risk Management of BCA, responsible for Enterprise Wide Risk Management and Loan Recovery. He stepped down from the said positions in 2016.

Prior to joining BCA, he served as Advisor to the Chairman of the Indonesian Bank Restructuring Agency. He also previously served as Advisor at PT Bahana Pembinaan Usaha Indonesia from November 1996 to December 2001, as Vice President at Dieng Djaya from February 1994 to November 1996, and as Vice President of Citibank from 1986 to 1994.

Spencer Lee Tien Chye

Independent Non-Executive Director

Audit Committee Chairman

Mr Spencer Lee is an independent non-executive Director of the Bank. He joined the Board on 1 October 2018 and was last re-appointed on the Board on 1 October 2021. He was appointed as Chairman of the ACB on 8 October 2018.

Mr Lee served the Maybank Group for more than 30 years in various executive capacities, including as the Head of Consumer Banking, Head of International Banking and Country Head for Maybank Singapore before retiring as Advisor, Maybank in November 2008.

Wong Heng Ning Kevin

Independent Non-Executive Director

Risk Management and Compliance Committee Chairman

Mr Kevin Wong is an independent non-executive Director of the Bank. He joined the Board on 1 October 2018 and was last re-appointed on the Board on 1 October 2021. He was appointed as a member of the ACB on 8 October 2018 and Chairman of the RMCC on 1 August 2019.

Mr Wong was a partner of Linklaters from 2000 to 2017, and spent his career at the firm in London, Hong Kong, Shanghai and Singapore. He was the managing partner of the Singapore office of Linklaters for 13 years, leading the development of the office from an offshore law firm, through a joint law venture and as a qualifying foreign law practice since 2013.

Mr Wong had been cited as a leading lawyer in Singapore Capital Markets by Chambers Global, Chambers Asia and the Asia Pacific Legal 500 for more than 10 years. Mr Wong's main area of practice was in equity and debt capital markets, with extensive experience advising underwriters and issuers in a broad range of international capital markets transactions throughout the Asia-Pacific region. Mr Wong retired from legal practice in 2018.

Lee Yong Guan

Independent Non-Executive Director

Audit Committee Member

Mr Lee Yong Guan is an independent non-executive Director of MSL. He joined the Board on 1 October 2018 and was last re-appointed on the Board on 1 October 2021. He ceased to be a member of the RMCC on 1 January 2022 and was appointed as a member of the ACB on 1 January 2022.

Mr Lee joined Visa Inc. in 1985 where he held various executive positions from 1985 to 2010 including Chief Administration Officer, Chief Financial Officer, Chief Operating Officer (Asia Pacific) and Regional President (Asia Pacific). Subsequently, he spent more than 5 years in Shanghai as Special Advisor of China UnionPay and Director of UnionPay International Co Ltd, a wholly owned subsidiary of China UnionPay.

Mr Lee is currently on the panel of Start Up Advisors at SMU Institute of Innovation & Entrepreneurship and he is an Advisor to BitRock Capital Pte Ltd.

Renato Tinio De Guzmaz

Independent Non-Executive Director

Risk Management and Compliance Committee Member

Mr Renato Tinio De Guzman is an independent non-executive Director of MSL. He joined the Board on 1 July 2019 and was last re-appointed on the Board on 1 July 2022. He was appointed as a member of the RMCC on 1 August 2019.

An accomplished banker, Mr De Guzman helped spur the growth of the private banking business in Asia while being the Chief Executive Officer of ING Asia Private Bank ("**IAPB**") which was renamed as Bank of Singapore after it was acquired by Oversea-Chinese Banking Corporation in 2010.

Senior Management

The Singapore Management Committee ("**SMC**"), which is the highest management committee within the Bank, is responsible for the formulation and implementation of business, development and operating plans in accordance with the Maybank Group's and the Bank's strategic goals and objectives as guided and approved by the Board. The SMC is chaired by the Country Chief Executive Officer and consists of ten other members of senior management comprising heads of business and corporate and enabler functions.

The SMC members, which comprise of representatives from both MSL and Maybank Banking Berhad, Singapore Branch, as at the date of this Offering Circular are as follows:

Name	Position
Alvin Lee	Country CEO and Chief Executive Officer, Maybank Singapore
Lim Choon Meng	Chief Financial Officer, Singapore
David Chew	Head, Operations, Singapore

Dr Davide Crippa

Patrick Yap

Wong Keng Fye

Gregory Seow

Chew Liok Lim

Chief Risk Officer, Singapore

Chief Information Officer, Singapore

Head, Human Capital, Singapore

Head, Global Banking, Maybank Banking Berhad,
Singapore Branch

Head, Global Markets, Maybank Banking Berhad,
Singapore Branch

REGULATION AND SUPERVISION

Regulation and Supervision in Singapore

Introduction

Singapore licensed banks come within the ambit of the Banking Act and the MAS, as the administrator of the Banking Act, supervises and regulates the banks and their operations. In addition to provisions in the Banking Act and the subsidiary legislation issued thereunder, banks have to comply with notices, circulars and guidelines issued by the MAS from time to time.

A licensed bank's operations may include the provision of capital markets services and financial advisory services. A bank licensed under the Banking Act is exempt from holding a capital markets services licence under the Securities and Futures Act 2001 of Singapore (the "**SFA**") and from holding a financial adviser's licence under the Financial Advisers Act 2001 of Singapore (the "**FAA**"). However, the bank will nonetheless have to comply with the SFA and the FAA and the subsidiary legislation issued thereunder, as well as notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, as may be applicable to it in respect of these regulated activities, and its conduct of any other activities that fall within the ambit of the SFA and FAA.

The holding company of a Singapore licensed bank could also be subject to regulation if it is designated as a financial holding company ("**DFHC**") under Section 4 of the Financial Holding Companies Act 2013 of Singapore (the "**FHC Act**"). The FHC Act was introduced to establish the regulatory framework for designated Singapore-incorporated financial holding companies with one or more Singapore-incorporated bank or insurance subsidiaries.

The salient provisions in the FHC Act relate to:

- (a) a requirement to provide the MAS with information requested by the MAS for supervision purposes;
- (b) restrictions on the use of the name, logo and trademark of a DFHC;
- (c) restrictions on the activities of a DFHC;
- (d) restrictions on the shareholding and control of a DFHC;
- (e) limits on exposures and investments;
- (f) minimum asset requirements;
- (g) minimum capital and capital adequacy requirements;
- (h) leverage ratio requirements;
- (i) supervision and reporting requirements; and
- (j) approval requirements for the appointment of directors and chief executives.

The FHC Act provides for transition periods for DFHCs to comply with various provisions in the specific provisions and a general power for the Minister to prescribe by regulations, for a period of two years from the commencement of operation of any provision, transitional provisions consequent on the enactment of that provision.

The Monetary Authority of Singapore

The MAS is banker and financial agent to the Singapore government and is the central bank of Singapore. Following its merger with the Board of Commissioners of Currency, Singapore on 1 October 2002, the MAS has also assumed the functions of currency issuance. The MAS' functions include:

- (a) to act as the central bank of Singapore, including the conduct of monetary policy, the issuance of currency, the oversight of payment systems and serving as banker to and financial agent of the Singapore government;
- (b) to conduct integrated supervision of financial services and financial stability surveillance;
- (c) to manage the official foreign reserves of Singapore; and
- (d) to develop Singapore as an international financial centre.

The Regulatory Environment

Enhanced access to SGD and USD funding due to the COVID-19 pandemic

On 3 September 2020, the MAS announced measures to enhance the banking system's access to SGD and USD funding, which are intended to strengthen banking sector resilience, promote more stable SGD and USD funding conditions, and support credit intermediation amid continued economic headwinds from the COVID-19 pandemic.

A new MAS SGD Term Facility was launched in the week of 28 September 2020, to provide banks and finance companies an additional channel to borrow SGD funds at longer tenors and with more forms of collateral. The MAS SGD Term Facility will offer SGD funds in the 1-month and 3-month tenors, complementing the existing overnight MAS Standing Facility. In line with the MAS SGD Term Facility's objective to serve as a liquidity backstop, pricing will be set above prevailing market rates. A wider range of collateral comprising cash and marketable securities in SGD and major currencies will be accepted. In particular, D-SIBs that are incorporated in Singapore will be able to pledge eligible residential property loans as collateral at the MAS SGD Term Facility.

Likewise, the range of collateral that banks in Singapore can use to access USD liquidity from the MAS USD Facility will also be expanded. Presently, banks in Singapore can borrow USD by pledging eligible SGD-denominated collateral. From 28 September 2020, banks are able to obtain USD liquidity by pledging a wider pool of cash and marketable securities, in line with what is accepted at the MAS SGD Term Facility. It was announced on 17 June 2021 that the MAS USD Facility will also be extended to 31 December 2021. Based on the announcement by the MAS on 24 December 2021, the MAS USD Facility expired on 31 December 2021.

The MAS also indicated that it will raise the asset encumbrance limit imposed on locally-incorporated banks under the Banking Act. The asset encumbrance limit will be increased to 10% of a locally-incorporated bank's total assets, up from the current limit of 4%. This increase will give the locally-incorporated banks greater leeway to pledge residential property loans as collateral to access funding, so that they can support the financial needs of individuals and businesses that are affected by the COVID-19 pandemic.

The MAS announced on 5 July 2021 that it will extend the MAS SGD Facility for ESG Loans from 1 October 2021 to 31 March 2022. This Facility provides low-cost funding for banks and finance companies to grant loans under Enterprise Singapore's Enterprise Financing Scheme – SME Working Capital Loan and Temporary Bridging Loan Programme. On 18 February 2022, the MAS announced that it will further extend the MAS SGD Facility for ESG Loans from 1 April 2022 to 30 September 2022. The application window for the MAS SGD Facility for ESG Loans was monthly from April 2020 until October 2022. On 5 January 2023, the MAS announced two additional windows in January 2023 and April 2023. A revised interest rate of 0.5% per annum will apply for funding provided from the May 2022 application window onwards to better reflect interest rates in Singapore.

Domestic Systemically Important Banks

The framework for D-SIBs is set out in the MAS' monograph on the MAS' Framework for Impact and Risk Assessment of Financial Institutions (revised in September 2015), and is aligned with the principles set out

by the Basel Committee for determining banks that are of domestic systemic importance. D-SIBs are, *inter alia*, subject to more intensive supervision by the MAS, and liquidity coverage ratio (“**LCR**”) and higher loss absorbency requirements, than banks which are not so designated. The applicable capital and liquidity requirements are incorporated under MAS Notice 637 and MAS Notice 649. The Bank was designated as a D-SIB by the MAS on 30 April 2015.

Capital Adequacy Ratios (“CAR”)

The Bank is required to comply with MAS Notice 637 which implements the Basel III capital standards for Singapore-incorporated banks. The Notice sets out the capital adequacy ratio requirements and the range of approaches that banks could adopt, based on the complexity and sophistication of their businesses and operations, for calculating its RWA. MAS Notice 637 also sets out the expectations of the MAS in respect of the internal capital adequacy assessment process, the disclosure requirements in relation to capital adequacy and leverage ratio, and the submission and disclosure requirements for assessing G-SIBs.

Pursuant to MAS Notice 637, the MAS imposes CAR requirements on a Singapore-incorporated bank at two levels:

- (a) the bank standalone (“**Solo**”) level CAR requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its standalone capital strength and risk profile; and
- (b) the consolidated (“**Group**”) level CAR requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its capital strength and risk profile after consolidating the assets and liabilities of its subsidiaries and any other entities which are treated as part of the bank’s group of entities according to SFRS(I) (collectively called banking group entities), taking into account any exclusions of certain banking group entities or any adjustments pursuant to securitisation required under MAS Notice 637. Where a Singapore-incorporated bank issues covered bonds (as defined in MAS Notice 648), the bank must continue to hold capital against its exposures in respect of the assets included in a cover pool (as defined in MAS Notice 648) in accordance with MAS Notice 637. In the case where covered bonds are issued via a special purpose entity or where the cover pool is held by a special purpose entity, the bank and the special purpose entity will be treated as a single entity for the purposes of MAS Notice 637.

Under MAS Notice 637, Singapore-incorporated banks which are designated by the MAS as D-SIBs are required to comply with a minimum Common Equity Tier 1 (“**CET1**”) CAR of 6.5%, Tier 1 CAR of 8% and Total CAR of 10%. These minimum ratios are two percentage points higher than those established by the Basel Committee, and are aimed to reduce the probability of failure of D-SIBs by increasing their going-concern loss absorbency. In addition, Singapore-incorporated banks are required to maintain a capital conservation buffer of 2.5% and a countercyclical buffer of up to 2.5%, both to be met fully with CET1 capital.

The countercyclical buffer is not an ongoing requirement and is only applied as and when specified by the relevant banking supervisors. The applicable magnitude is the weighted average of the jurisdiction-specific countercyclical buffer requirements that are required by authorities in jurisdictions to which a bank has private sector credit exposures. The Basel Committee expects jurisdictions to implement the countercyclical buffer during periods of excessive credit growth.

The minimum CAR requirements based on MAS Notice 637 have been fully phased in from 1 January 2019 and are summarised in the table below.

**From 1
January
2019 and
beyond**

Minimum CAR (%)

CET1 (a).....	6.5
CCB (b)	2.5
CET1 including CCB (a) + (b).....	9.0
Tier 1 including CCB	10.5
Total including CCB.....	12.5
Maximum Countercyclical Buffer.....	2.5

Under MAS Notice 637, Singapore-incorporated banks are also required to maintain, at both the Solo and Group levels, a minimum leverage ratio of 3% at all times.

On 7 May 2019, the MAS released a consultation paper on “Proposed Implementation of the Final Basel III Reforms in Singapore”, seeking feedback on proposed revisions to the capital and leverage ratio requirements for Singapore-incorporated banks to align with the Basel III reforms, and to implement these revisions from 1 January 2022. On 7 April 2020, the MAS announced that the implementation date of the Basel III reforms will be deferred by one year to 1 January 2023 to enable banks to prioritise their resources in response to COVID-19. On 17 December 2020, the MAS released its “Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Operational Risk Capital and Leverage Ratio Requirements”. On 25 March 2021, the MAS released its “Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Credit Risk Capital and Output Floor Requirements”. On the same day, the MAS also released a consultation paper on “Draft Standards for Credit Risk Capital and Output Floor Requirements for Singapore-incorporated Banks”, seeking further feedback on the proposed amendments taking into account its responses to feedback received. The revised standards then were expected to take effect from 1 January 2023, with transitional arrangements provided for implementation of the output floor till 1 January 2028. On 13 September 2021, the MAS published its “Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Market Risk Capital Requirements”. On the same day, the MAS also released a consultation paper on “Draft Standards for Market Risk Capital and Capital Reporting Requirements for Singapore-incorporated Banks” seeking feedback on the draft standards. Under this consultation paper, amendments have been proposed to MAS Notice 637 to take into account the aforementioned Response as well as standards relating to market risk capital requirements in the consolidated Basel Framework published by the Basel Committee on Banking Supervision. On 30 March 2022, the MAS issued a consultation paper on “Draft Public Disclosure Requirements for Regulatory Capital” seeking feedback on draft public disclosure requirements for regulatory capital for Singapore-incorporated banks. The draft provisions which are set out in MAS Notice 637 take into account standards relating to public disclosure requirements in the consolidated Basel Framework published by the Basel Committee on Banking Supervision. In particular, the MAS has stated that the draft amendments to Part XI of MAS Notice 637 will enhance market discipline by reflecting amendments to other parts of MAS Notice 637 which implements the final Basel III reforms, and improve the consistency and comparability of disclosure across Singapore-incorporated banks. On 19 December 2022, the MAS announced that the implementation of the final Basel III reforms in Singapore will be deferred to between 1 January 2024 and 1 January 2025. This move is to allow the industry sufficient time for proper implementation of systems needed to adopt the revised framework, and is aligned with the implementation timelines of other major

jurisdictions. The MAS will finalise the implementation timeline for the final Basel III reforms (including the transitional arrangement for the output floor) by 1 July 2023.

Besides the publications relating to Basel III reforms, on 29 July 2020, the MAS called on locally-incorporated banks headquartered in Singapore to cap their total DPS for FY2020 at 60% of FY2019's DPS, and offer shareholders the option of receiving the dividends to be paid for FY2020 in scrip in lieu of cash. The dividend restriction is a pre-emptive measure to bolster the banks' ability to continue to support the credit needs of businesses and consumers in the business environment during the COVID-19 pandemic. On 28 July 2021, the MAS announced that the dividend restrictions on locally-incorporated banks and finance companies headquartered in Singapore would not be extended.

With effect from 1 July 2021, MAS Notice 637 was amended to specify that the transitional arrangements for the adoption of the SA-CCR and the revised capital requirements for bank exposures to central counterparties will cease on 31 December 2021. It also reflects amendments setting out an alternative treatment for the measurement of derivative exposures for leverage ratio calculation, using a modified version of SA-CCR as well as other amendments to implement technical revisions to the credit risk framework. Further amendments to MAS Notice 637 were made with effect from 18 August 2021 to implement the framework for the treatment of major stake investments in financial institutions at the Solo level.

With effect from 31 December 2021, MAS Notice 637 was amended to incorporate edits in relation to the insertion of a new charge to be held by the HDB under the PLH model. Further amendments effective from 1 January 2022 were also made to MAS Notice 637 to: (a) incorporate clarifications to the SA-CCR framework and the revised capital requirements for bank exposures to central counterparties, (b) implement revisions to the internal ratings-based approach application process and (c) implement technical revisions to the disclosure framework.

With effect from 1 January 2023, MAS Notice 637 was amended to: (a) implement the revised Pillar 3 disclosure requirements for IRRBB published by the Basel Committee; (b) implement a -100bps interest rate floor on the post-shock interest rates under the standardised interest rate shock scenarios set out in Annex 10C of MAS Notice 637; (c) provide additional clarity on the application of interest rate floors, interest rate caps, and pass-through rates when computing IRRBB under the standardised interest rate shock scenarios; and (d) implement various other technical revisions.

On 8 June 2023, the MAS announced that most of the final Basel III reforms in Singapore will come into effect from 1 July 2024 except for capital adequacy and disclosure requirements in respect of the revised market risk and credit valuation standards which will come into effect from 1 January 2025. Output floor transitional arrangements will commence from 1 July 2024 and reach full phase-in on 1 January 2029.

Other Key Prudential Provisions

Liquidity Standards

MAS Notice 649 (as last revised on 24 June 2022) implements the Basel III LCR rules. Under MAS Notice 649, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore must maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all-currency LCR requirement of at least 100%. In all other cases, a D-SIB must maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all-currency LCR requirement of at least 50%.

MAS Notice 652 implements the Basel Committee's standards on the Basel III Liquidity Rules – Net Stable Funding Ratio ("**NSFR**"). A D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore must maintain a consolidated all-currency Group NSFR of at least 100% at all times. In the case of a D-SIB that does not fall within scope of a D-SIB described above, it must maintain (i) an all-currency NSFR of at least 50% at the entity level (if it has not obtained the approval of the MAS pursuant to paragraph 6 of MAS Notice 649 to comply with the requirements set out in that notice on a

country-level group basis) or (ii) an all-currency NSFR of at least 50% at the country-level group basis (if it has obtained the approval of the MAS pursuant to paragraph 6 of MAS Notice 649 to comply with the requirements set out in that notice on a country-level group basis).

MAS Notice 651 and MAS Notice 653 implement disclosure requirements for D-SIBs incorporated in Singapore and whose head office or parent bank is incorporated in Singapore or internationally active banks that are consistent with the Basel Committee's revised standards on Pillar 3 disclosures under the Basel III framework. In particular, they concern disclosures of quantitative and qualitative information about LCR and NSFR respectively.

Maintenance of Cash

Under Section 39 of the Banking Act and MAS Notice 758 on Minimum Cash Balance ("**MAS Notice 758**"), a bank is also required to maintain, during a maintenance period, in its current account and custody cash account an aggregate minimum cash balance with the MAS of at least an average of 3% of its average Singapore Dollar Qualifying Liabilities (as defined in paragraph 7 of MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio ("**MAS Notice 649**")) computed during the relevant two-week period beginning on a Thursday and ending on a Wednesday.

Credit Losses and Provisioning

MAS Notice 612 on Credit Files, Grading and Provisioning concerns the recognition and measurement of allowance for credit losses introduced in SFRS(I)9. Banks are required to measure and recognise loss allowances for expected credit losses in accordance with the requirements of SFRS(I)9. In addition, Singapore-incorporated banks which are designated by the MAS as D-SIBs are to maintain a minimum level of loss allowances for their non-credit-impaired exposures, of 1% of the Minimum Regulatory Loss Allowance. Where the accounting loss allowance falls below the Minimum Regulatory Loss Allowance, a D-SIB is required to recognise the additional loss allowance by establishing a non-distributable regulatory loss allowance reserve account through an appropriation of its retained earnings.

Exposure limits

Under Section 29 of the Banking Act, the MAS may, by written notice to any bank in Singapore, or any class of banks in Singapore, impose such requirements as may be necessary or expedient for the purposes of:

- (a) identifying any person or class of persons, where exposure of the bank, or a bank within the class of banks, to the person or class of persons may result in concentration risk to the bank; or
- (b) limiting the exposure of the bank, or a bank within the class of banks, to any person or class of persons, where the exposure may result in concentration risk to the bank.

For the purposes of this paragraph, "exposure" means the maximum loss that a bank may incur as a result of the failure of a counterparty to meet any of its obligations.

On 3 January 2018, the MAS released a Consultation Paper on Proposed Revisions to the Regulatory Framework for Large Exposures of Singapore-incorporated Banks. The proposed revisions take into account relevant aspects of the "Supervisory framework for measuring and controlling large exposures" published by the Basel Committee in April 2014, and will apply only to Singapore-incorporated banks. The MAS released the Response to Feedback Received – Proposed Revisions to the Large Exposures Framework for Singapore-Incorporated Banks on 31 August 2018 and will, among other things, tighten the large exposures limit from 25% of eligible total capital to 25% of Tier 1 capital.

On 14 August 2019, the MAS issued MAS Notice 656 on Exposures to Single Counterparty Groups for Banks Incorporated in Singapore ("**MAS Notice 656**") implementing the revised requirements MAS Notice 656 provides that, among other things, a bank incorporated in Singapore must not permit: (a) at the Solo level, the aggregate of its exposures to any single counterparty group to exceed 25% of its Tier 1 capital;

and (b) at the Group level, the aggregate of the exposures of the banking group to any counterparty, any director group, any substantial shareholder group or any connected counterparty group to exceed 25% of the Tier 1 capital of the banking group. On 1 July 2021, MAS Notice 656 was amended to, amongst others, reflect that the transitional arrangements for the adoption of the standardised approach for credit risk under MAS Notice 637 will cease on 31 December 2021 and to clarify the treatment for an exempt exposure that is secured by eligible financial collateral or eligible credit protection.

On 1 July 2021, a new Section 29A to the Banking Act intended to enhance the monitoring and control of the risk of conflict between the interests of a bank in Singapore and the interests of certain persons, branches or head offices that are related to the bank took effect. The new Section 29A provides that the MAS may, by written notice, impose requirements that are reasonably necessary for the purposes of identifying credit facilities from, exposures of and transactions of, the bank, to or with certain persons, branches, entities or head offices that may give rise to any conflict of interest, and for monitoring, limiting and restricting such credit facilities, exposures and transactions. Among other things, the notice may prohibit the bank from granting any credit facility, creating any exposure or entering into any transaction to or with such a person, branch, entity or head office.

The MAS has issued MAS Notice 643 on Transactions with Related Parties ("**MAS Notice 643**") pursuant to the new Section 29A(1) of the Banking Act. MAS Notice 643, which took effect on 1 July 2021, sets out requirements relating to transactions of banks in Singapore with related parties and the responsibilities of banks in relation to transactions of branches or entities in the bank's group with related parties, which seek to minimise the risk of abuse arising from conflicts of interest in such transactions.

Anti-Commingling Framework

A bank in Singapore is prohibited from carrying on or entering into any partnership, joint venture or other arrangement with any person to carry on any business except:

- (a) banking business;
- (b) business which is regulated or authorised by the MAS or if carried on in Singapore, would be regulated or authorised by the MAS under any written law;
- (c) business which is incidental to (a) or (b);
- (d) business or a class of business prescribed by the MAS; or
- (e) any other business approved by the MAS (Section 30 of the Banking Act).

On 29 September 2017, the MAS released a Consultation Paper on the Review of Anti-Commingling Framework for Banks which proposes to refine the anti-commingling framework for banks in two key aspects, including streamlining the conditions and requirements under regulation 23G of the Banking Regulations so as to make it easier for banks to conduct or invest in permissible non-financial businesses that are related or complementary to their core financial businesses, and allowing banks to engage in the operation of digital platforms that match buyers and sellers of consumer goods or services, as well as the online sale of such goods or services. In this connection, the MAS has also proposed amendments to regulations 23F and 23G of the Banking Regulations in the Consultation Paper on Proposed Amendments to Regulations, Notices and Guidelines Arising from the Banking (Amendment) Act 2020 and Other Changes published on 2 December 2020. Among other things, the MAS has prescribed a list of permissible non-financial businesses which banks may carry on if the business is related or complementary to any of the core financial business which is carried on by the bank, subject to conditions such as the requirement for the bank to put in place risk management and governance policies and procedures that are commensurate with the risks posed by such business, and obtain the approval of the board of directors (or an authorised person, in the case of a bank incorporated outside Singapore and its head office has carried on the business before) for such policies and procedures.

The revised anti-commingling policy measures and the amendments to regulations 23F and 23G of the Banking Regulations have been effected by way of the Banking (Amendment) Regulations 2021 which took effect on 1 July 2021.

Major stake and investment restrictions

A bank incorporated in Singapore cannot hold or acquire, directly or indirectly, a major stake in any entity (including unincorporated bodies) without first obtaining the approval of the MAS (Section 32 of the Banking Act). A “major stake” means:

- (a) any beneficial interest exceeding 10% of the total number of issued shares or such other measure corresponding to shares in a company as may be prescribed by the MAS;
- (b) control of over more than 10% of the voting power or such other measure corresponding to voting power in a company as may be prescribed by the MAS; or
- (c) any interest in the entity, by reason of which the management of the entity is accustomed or under an obligation, whether formal or informal, to act in accordance with the bank’s directions, instructions or wishes, or where the bank is in a position to determine the policy of the entity.

A bank incorporated in Singapore, either directly or through any subsidiary of the bank or any other company in the bank group, can hold any beneficial interest in the share capital of a company (and such other investment, interest or right as may be prescribed by the MAS) (“**equity investment**”), whether involved in financial business or not, so long as such equity investment does not exceed in the aggregate 2% of the capital funds of the bank or such other percentage as the MAS may prescribe. Such a restriction on a bank’s equity investment does not apply to any interest held by way of security in the ordinary course of the bank’s business or to any shareholding or interest acquired or held by a bank in the course of satisfaction of debts due to the bank, where such interest is disposed of at the earliest suitable opportunity. In addition, any major stake approved by the MAS under Section 32 of the Banking Act and any equity investment in a single company acquired or held by a bank when acting as a stabilising manager in relation to an offer of securities issued by the company will not be subject to the restrictions on equity investment described above.

No bank incorporated in Singapore shall hold or acquire, directly or through a subsidiary of the bank or any other company in the banking group, interests in or rights over immovable property, wherever situated, the value of which exceeds in the aggregate 20% of the capital funds of the bank or such other percentage as the MAS may prescribe (Section 33 of the Banking Act). The Banking Regulations further provide that the property sector exposure of a bank in Singapore shall not exceed 35% of the total eligible assets of that bank. Under the Banking Act and the Banking Regulations, a bank can invest in properties subject to an aggregate of 20% of its capital funds, but it is not allowed to engage in property development or management. However, a bank incorporated in Singapore such as the Bank is permitted to carry on property management and property enhancement services in relation to investment properties that are owned by any entity in its bank group, foreclosed properties that have been acquired or are held by any entity in its bank group and buildings (the whole or any part which is) occupied and used by any entity in its bank group for the carrying on of that entity’s business. For this purpose, “**bank group**”, in relation to a bank incorporated in Singapore, refers to the group of entities comprising (a) the bank; (b) every subsidiary of the bank; (c) every branch of the bank; and (d) every other entity that is treated as part of the bank’s group of entities for accounting purposes according to the Accounting Standards (as defined in the Banking Regulations).

Provisions relating to issuance of covered bonds

With effect from 31 December 2013, Singapore-incorporated banks are permitted to issue covered bonds subject to conditions under MAS Notice 648 (last amended on 24 June 2022). The aggregate value of assets in the cover pools for all covered bonds issued by the bank and special purpose vehicles on behalf

of the bank, and residential mortgage loans and assets eligible for inclusion in cover pools (but which have not been included) and which are transferred to the special purpose vehicles, must not exceed 10% of the value of the total assets of the bank at all times.

Corporate Governance Regulations and Guidelines

The Banking (CG) Regulations 2005, as last amended by the Banking (Corporate Governance) (Amendment No. 2) Regulations 2022, define what is meant by an independent director and set out the requirements for the composition of the board of directors and board committees, such as the Nominating Committee, Remuneration Committee, Audit Committee, Risk Management Committee and Board Executive Committee.

The Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated 3 April 2013) (the “**2013 Guidelines**”) comprise the Code of Corporate Governance 2012 for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS, to take into account the unique characteristics of the business of banking and insurance, given the diverse and complex risks undertaken by these financial institutions and their responsibilities to depositors and policyholders. For example, the 2013 Guidelines set out the principle that the board of directors of a bank should ensure that the bank’s related party transactions are undertaken on an arm’s length basis.

The Code of Corporate Governance 2012 was revised on 6 August 2018. The revised Code of Corporate Governance 2018 sets out, *inter alia*, the principles that there should be a clear division of responsibilities between the leadership of the board of directors and the management of the company, and no one individual has unfettered powers of decision making, and that there is an appropriate level of independence and diversity of thought and background in the composition of the board of directors of the company to enable it to make decisions in the best interests of the company. In addition, the Code of Corporate Governance 2018 sets the shareholding threshold in determining a director’s independence at 5%, to align with the definition of “substantial shareholders” in the SFA. The Code of Corporate Governance 2018 also requires the separation of the roles of Chairman and CEO.

The Code of Corporate Governance 2018 was amended on 11 January 2023 to reflect amendments made by the Singapore Exchange Regulation to the listing rules of the SGX-ST. The amendments introduced a nine-year tenure limit for independent directors and mandatory remuneration disclosure for each individual director and CEO. The revisions are in line with the recommendations made by the Corporate Governance Advisory Committee.

On 9 November 2021, the MAS published the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore (the “**2021 Guidelines**”), which supersedes and replaces the 2013 Guidelines. The revisions take into account international standards and industry good practices. The MAS has incorporated the Code of Corporate Governance 2018 into the 2021 Guidelines. The 2021 Guidelines also include additional guidelines added by the MAS to take into account the unique characteristics of the business of banking in light of the diverse and complex risks undertaken by financial institutions conducting banking business and the responsibilities to depositors and other customers. The guidelines that relate to disclosures are effective from 1 January 2022 and will apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines becoming effective from 1 April 2022.

To further enhance the corporate governance of banks, the Banking Act:

- (a) requires a Singapore-incorporated bank to seek the MAS’ approval before it appoints certain key appointment holders (including directors and chief executive officers), and in doing so, the MAS has the power to prescribe the duties of the appointment holders and to specify the maximum term of each appointment;

- (b) empowers the MAS to remove key appointment holders of banks if they are found to be not fit and proper. The grounds for removal of such key appointment holders will be aligned with the criteria for approving their appointment. A Singapore-incorporated bank must also immediately inform the MAS if a key appointment holder is (in accordance with the Guidelines on Fit and Proper Criteria (last revised on 1 July 2021)) no longer a fit and proper person to hold the appointment;
- (c) provides a provision to protect banks' external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure;
- (d) empowers the MAS to direct banks to remove their external auditors if they have not discharged their statutory duties satisfactorily; and
- (e) empowers the MAS to prohibit, restrict or direct a bank to terminate any transaction that the bank enters into with its related parties if it is deemed to be detrimental to depositors' interests.

Under MAS Notice 643, a bank in Singapore is also required to obtain the approval of a special majority of three-fourths of its board and ensure that every branch or entity in its bank group obtains the approval of a special majority of three-fourths of the entity's board before entering into related party transactions that pose material risks to the bank (unless otherwise exempt), or write off any of its exposure to any of the bank's related parties, in order to provide more effective oversight over banks' related party transactions. MAS Notice 643 (dated 28 June 2021) took effect on 1 July 2021.

Other Requirements

Licensing

The MAS issues licences under the Banking Act to banks to transact banking business in Singapore. Such licences may be revoked if the MAS is satisfied, that the bank holding that licence:

- (a) has ceased to transact banking business in Singapore;
- (b) has furnished information or documents to the MAS in connection with its application for a bank licence which is or are false or misleading in a material particular;
- (c) if it is a bank incorporated outside Singapore, has had its bank licence or authority to operate withdrawn by the supervisory authority which is responsible, under the laws of the country or territory where the bank is incorporated, formed or established, for supervising the bank;
- (d) proposes to make, or has made, any composition or arrangement with its creditors or has gone into liquidation or has been wound up or otherwise dissolved;
- (e) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public;
- (f) is contravening or has contravened any provision of the Banking Act;
- (g) has been convicted of any offence under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offence under the Banking Act;
- (h) is contravening or has contravened any provision of the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 of Singapore (the "**Deposit Insurance and Policy Owners' Protection Schemes Act**") or any Rules issued by the deposit insurance and policy owners' protection fund agency under the Deposit Insurance and Policy Owners' Protection Schemes Act;
- (i) is contravening or has contravened any provision of the MAS Act, or any direction issued by the MAS under the MAS Act; or
- (j) is contravening or has contravened any provision of the FSM Act, or any direction issued by the MAS under the FSM Act.

The MAS may also revoke an existing licence if, upon the MAS exercising any power under Section 49(2) of the Banking Act or the Minister exercising any power under Division 2, 3, 4 or 4A of Part 4B of the MAS Act or Division 2, 4, 5 and 6 of Part 8 of the FSM Act (when Part 8 of the FSM Act comes into effect) in relation to the bank, the MAS considers that it is in the public interest to revoke the licence.

Priority of liabilities in winding up

In the event of the winding up of a bank, Section 62 of the Banking Act provides that the following liabilities in Singapore of the bank shall, amongst themselves, rank in the following order of priority:

- (a) firstly, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act;
- (b) secondly, liabilities incurred by the bank in respect of insured deposits, up to the amount of compensation paid or payable out of the Deposit Insurance Fund by the Singapore Deposit Insurance Corporation Limited under the Deposit Insurance and Policy Owners' Protection Schemes Act in respect of such insured deposits;
- (c) thirdly, deposit liabilities incurred by the bank with non-bank customers, other than those specified in paragraph (b) above which are incurred (i) in Singapore dollars; or (ii) on terms under which the deposit liabilities may be discharged by the bank in Singapore dollars;
- (d) fourthly, deposit liabilities incurred by the bank with non-bank customers other than liabilities referred to in paragraphs (b) and (c) above; and
- (e) fifthly, any sum claimed by the trustee of a resolution fund (within the meaning of Section 98 of the MAS Act) from the bank under Section 103, 104, 105 or 106 of the MAS Act.

As between liabilities of the same class referred to in each of the paragraphs (a) to (e) above, such liabilities shall rank equally between themselves. The liabilities specified above shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in Section 203 of the IRDA.

Privacy of customer information

Unless otherwise expressly provided in the Banking Act, a bank in Singapore and its officers may not disclose customer information to any other person without the written consent of the customer. On 29 June 2021, the MAS published MAS Notice 657 Privacy of Customer Information – Conditions for Disclosure of Customer Information by Auditors ("**MAS Notice 657**") which applies to all banks and their external auditors. MAS Notice 657 sets out the conditions which an auditor must comply with before disclosing any customer information to an employee of the Accounting and Corporate Regulatory Authority referred to in the Third Schedule of the Banking Act.

Removal of Domestic Banking Unit and Asian Currency Unit

Banks in Singapore previously had to maintain separate accounting units for their domestic banking unit ("**DBU**") and their Asian currency unit ("**ACU**"). On 1 July 2021, the Banking Act was amended by the Banking (Amendment) Act 2020 to (among other things) remove the DBU-ACU divide, and make consequential amendments to regulatory requirements following the removal of the DBU-ACU divide.

The MAS has previously noted that the removal of the DBU-ACU divide would require significant amendments to changes in banks' regulatory reporting systems. In this regard, the MAS issued an updated MAS Notice 610 on Submission of Statistics and Returns ("**MAS Notice 610**") on 17 May 2018 that was intended to take effect from 1 October 2020 providing a 30-month implementation timeline. However, the MAS Notice 610 dated 17 May 2018 was cancelled and superseded by a new MAS Notice 610 issued on 16 July 2019 (last revised on 18 August 2020), which took effect from 1 July 2021. MAS Notice 610 was subsequently revised on 23 December 2021 to remove transitional provisions with effect from 31 January 2022.

Resolution Powers

Under the MAS Act and the Banking Act, the MAS has resolution powers in respect of Singapore licensed banks. Broadly speaking, the MAS has powers to (amongst other things) assume control of a bank, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning.

Under Division 4A of Part 4B of the MAS Act, the MAS has statutory bail-in powers to write down or convert a financial institution's debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and Singapore-incorporated bank holding companies (each a "**Division 4A financial institution**"). The classes of instruments subject to the statutory bail-in powers of the MAS are provided under regulation 23 of the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**RFI Regulations**") and include:

- (a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 4A financial institution, except an ordinary share;
- (b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors' claims of the Division 4A financial institution that are not so subordinated; and
- (c) any instrument that provides for a right for the instrument to be written down, cancelled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

but do not include any instrument issued before 29 November 2018 or a derivatives contract as defined in regulation 9(2) of the RFI Regulations.

In the event of bail-in, all shareholders' voting rights on matters which require shareholders' approval will be suspended until the Minister has published a notice in the Gazette that the moratorium ceases to apply. In respect of any person who becomes a significant shareholder (i.e. if they have reached the relevant shareholding thresholds) as a result of the bail-in, the Minister may serve a written notice on that person if:

- (a) the MAS is not satisfied that:
 - (i) the person is, in accordance with the Guidelines on Fit and Proper Criteria, a fit and proper person to be a significant shareholder; and
 - (ii) having regard to the likely influence of the person on it, the Division 4A financial institution or an entity established or incorporated to do one or both of the following: (A) temporarily hold and manage the assets and liabilities of the Division 4A financial institution; and/or (B) do any act for the orderly resolution of the Division 4A financial institution ("**resulting financial institution**") will or will continue to conduct its business prudently and comply with the provisions of the MAS Act and the relevant Act applicable to it; or
- (b) the Minister is not satisfied that:
 - (i) in a case where the Division 4A financial institution or resulting financial institution is a bank incorporated in Singapore, it is in the national interest for the person to remain a significant shareholder of the Division 4A financial institution or resulting financial institution, as the case may be; or
 - (ii) in any other case, it is in the public interest for the person to remain a significant shareholder of the Division 4A financial institution or resulting financial institution, as the case may be.

Where the Minister has served such a notice, then, until the person has disposed of or transferred the shares specified in the notice and in accordance with the notice:

- (a) no voting rights are exercisable in respect of the specified shares except with the permission of the Minister, whether or not a notice under Section 77(2) is published that the provision has ceased to apply;
- (b) no shares of the Division 4A financial institution or resulting financial institution (as the case may be) may be issued or offered (whether by way of rights, bonus or otherwise) in respect of the specified shares except with the permission of the Minister; and
- (c) except in a liquidation of the Division 4A financial institution or resulting financial institution (as the case may be), the Division 4A financial institution or resulting financial institution may not make any payment (whether by way of dividends or otherwise) in respect of the specified shares except with the permission of the Minister.

This will ensure that only fit and proper persons can exercise voting rights attached to significant stakes in the financial institution. When exercising its bail-in powers, the MAS must have regard to the desirability of giving each pre-resolution creditor or pre-resolution shareholder of the Division 4A financial institution the priority and treatment the pre-resolution creditor or pre-resolution shareholder would have enjoyed had the Division 4A financial institution been wound up.

In addition, a Division 4A financial institution is required to insert contractual bail-in clauses into instruments which fall within the scope of the MAS' statutory bail-in powers but which are governed by foreign laws, to the effect that the parties to the contract agree that the instrument may be the subject of the MAS' bail-in powers.

On 1 November 2021, a new regulation 27A of the RFI Regulations took effect. Under regulation 27A of the RFI Regulations, a "qualifying pertinent financial institution" ("QPFI") and its subsidiaries will be required to include enforceable provisions in financial contracts governed by foreign law which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS' powers under sections 83 and 84 of the MAS Act (which prevent parties from exercising termination rights that arise out of the MAS' exercise of resolution powers and in the case of section 84, during the period of the temporary stay). A QPFI is defined as a bank that is incorporated in Singapore and to which a direction has been issued under section 43(1) of the MAS Act (concerning directions for recovery planning and implementation). A three-year transitional period has been provided from 1 November 2021 for QPFIs to implement the contractual recognition requirement.

Existing RFI regulations that safeguard set-off and netting arrangements in the event of a compulsory transfer of business during resolution, were also extended to reverse and onward transfers of business.

On 11 May 2022, the FSM Act was gazetted. One section of the FSM Act (Section 202 which relates to the amendment of the Income Tax Act) came into force on 30 June 2022. Parts 1, 2, 4, 6, 10, 11 and 12 (except for Section 183) came into force on 28 April 2023, among other provisions. There is currently no indication when the FSM Act will fully come into force. When the FSM Act fully comes into force, the MAS' resolution powers under the MAS Act will be moved over to the new FSM Act.

Examinations and Reporting Arrangements for Banks

The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from the annual balance sheet and profit and loss account, must report to the MAS immediately if in the course of the performance of his duties as an auditor of the bank, he is satisfied that:

- (a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offence involving fraud or dishonesty has been committed;
- (b) in the case of a bank incorporated in Singapore – losses have been incurred which reduce the capital funds of the bank by at least 50%;

- (c) serious irregularities have occurred, including irregularities that jeopardise the security of the creditors of the bank;
- (d) he is unable to confirm that the claims of creditors of the bank are still covered by the assets; or
- (e) any development has occurred or is likely to occur which has materially and adversely affected, or is likely to materially and adversely affect, the financial soundness of the bank.

In the 7 February 2019 Banking Act Consultation Paper, as a consequence of the impending removal of the DBU-ACU divide, the MAS has proposed to introduce a new reporting benchmark wherein the auditor must report to the MAS immediately if he becomes aware of any development that has occurred or is likely to occur which he has reasonable grounds to believe has materially affected adversely, or is likely to materially affect adversely, the financial soundness of the bank. With the new reporting benchmark, limb (b) above would no longer apply to all banks, but only to banks incorporated in Singapore.

The MAS has discontinued the mandatory audit firm rotation policy for local banks. On 17 July 2018, the MAS issued MAS Notice 615 on Appointment of Auditors pursuant to which banks incorporated and headquartered in Singapore will have to conduct a public tender for the reappointment of an auditor who has been appointed for a period of 10 or more consecutive financial years following the last conduct of a public tender. The implementation timeline will be the financial year ending 31 December 2020 for banks with incumbent auditors for more than ten consecutive years; and the financial year ending 31 December 2022 or ten years after the commencement of the audit engagement, whichever is later, for banks with incumbent auditors for up to ten consecutive years as of 31 December 2017. Under Section 58 of the Banking Act, the MAS is empowered to direct banks to remove their external auditors if the MAS is not satisfied with the performance of any duty by the auditors of those banks.

All banks in Singapore are required to submit periodic statistical returns, financial reports and auditors' reports to the MAS, including returns covering minimum cash balances and liquidity returns, statements of assets and liabilities, and total foreign exchange business transacted.

The MAS may also require ad hoc reports to be submitted.

Inspection and Investigative Powers

The MAS' inspection and investigative powers are set out under Section 43 to Section 44A of the Banking Act which allow the MAS to, under conditions of secrecy: (a) inspect the books of each bank in Singapore and of any branch, agency or office outside Singapore opened by a bank incorporated in Singapore; (b) inspect the books of each subsidiary incorporated in Singapore of a bank incorporated in Singapore, where the subsidiary is not regulated or licensed by the MAS under any other Act; and (c) investigate the books of any bank in Singapore if the MAS has reason to believe that the bank is carrying on its business in a manner likely to be detrimental to the interests of its depositors and other creditors, has insufficient assets to cover its liabilities to the public or is contravening the provisions of the Banking Act.

On 2 July 2021, the MAS published the Consultation Paper on Proposed Amendments to MAS' Investigative and Other Powers under the Various Acts proposing amendments under the Financial Institutions (Miscellaneous Amendments) Bill to various pieces of legislation including the Banking Act. The proposals aim to enhance the MAS' evidence-gathering powers and to facilitate greater inter-agency coordination. Amongst the proposed amendments to the Banking Act include according the MAS the power to require any person to provide information for the purposes of investigation, requiring any person to appear for examination, allowing the MAS to enter premises without warrant and be able to transfer evidence between the MAS and other agencies.

The FSM Act, which has been gazetted but has not fully come into force, enhances the MAS regulatory and enforcement framework across the financial sector, alongside the specific rules designed for each segment of the sector. When the FSM Act fully comes into force, it will, amongst others, introduce a harmonised and expanded power for the MAS to issue prohibition orders against persons who are not fit

and proper from engaging in financial activities regulated by the MAS or performing any key roles of functions in the financial industry that are prescribed, in order to protect a financial institution's customers, investors or the financial sector. This broadens the categories of persons who may be subject to prohibition orders and widens the scope of prohibition to cover functions critical to the integrity and functions of financial institutions. The MAS has stated that it will continue to exercise its prohibition order powers judiciously taking into account the nature and severity of each misconduct, and its actual and potential impact on trust in the financial sector. These expanded powers apply to persons working in banks.

Directors and Executive Officers of Banks

A bank incorporated in Singapore must not permit a person who is subject to certain circumstances set out in Section 54(1) of the Banking Act (for example where the person is an undischarged bankrupt, whether in Singapore or elsewhere) to act as its executive officer or director without the prior written consent of the MAS. The MAS may also direct the removal of a director of a bank in Singapore which is incorporated in Singapore or executive officer of a bank in Singapore if the MAS is satisfied that the director or executive officer (as the case may be) is not a fit and proper person under Section 54(2) of the Banking Act – this has been aligned with the criteria for approving their appointment. Banks are required under Section 53A of the Banking Act to notify the MAS of any development that could affect the fitness and propriety of their key appointment holders.

Financial Benchmarks

The SFA regulates financial benchmarks by:

- (a) setting out specific criminal and civil sanctions for manipulation of any financial benchmark (including SIBOR and Singapore dollar Swap Offer Rate (“**SOR**”)); and
- (b) subjecting the setting of key financial benchmarks to regulatory oversight. The MAS regulates administrators and submitters of key financial benchmarks and such persons subject to regulatory requirements. To the extent SIBOR or SOR are subject to additional MAS or industry regulations which adversely affect the volatility or level of such benchmarks, Floating Rate Covered Bonds calculated with reference to such benchmarks could be adversely affected.

The Securities and Futures (Financial Benchmark) Regulations 2018 were issued on 8 October 2018, and set out the admission, ongoing conduct and other requirements which apply to benchmark administrators and benchmark submitters of designated benchmarks. Pursuant to the Securities and Futures (Designated Benchmarks) Order 2018, the MAS designated the SIBOR and SOR as designated benchmarks with effect from 8 October 2018.

On 30 August 2019, the MAS announced the establishment of SC-STS to oversee an industry-wide benchmark transition from SOR to SORA. In addition, the ABS and the Singapore Foreign Exchange Market Committee (“**SFEMC**”) released a consultation report “Roadmap for Transition of Interest Rate Benchmarks: From SOR to SORA” identifying SORA as the alternative interest rate benchmark to SOR, envisaging a phased transition over two years. On 19 March 2020, the SC-STS released its response to feedback received on the consultation report in which the SC-STS noted that overall, there was broad support for the proposed transition roadmap and approach set out in the consultation report. In its response, the SC-STS also outlined its key priorities and updated transition roadmap to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets. On 29 July 2020, the ABS-SFEMC and SC-STS released a consultation report “Public Consultation on SIBOR Reform and the Future Landscape for SGD Interest Rate Benchmarks” proposing for the transition of legacy contracts referencing SIBOR to be done in a phased approach. On 11 December 2022, the ABS-SFEMC and SC-STS released the response to feedback received on the consultation proposals noting broad support from the industry of the proposals and encourage market participants to shift away from usage of SIBOR as soon as possible to reduce reliance on a benchmark that will be discontinued and to contribute to the deepening of new SORA markets.

On 18 May 2022, the SC-STS released a consultation report “Consultation on Adjustment Spreads for the Conversion of Legacy SOR Contracts to SORA” setting out recommendations for the setting of adjustment spreads for the conversion of legacy SOR contracts to a SORA reference rate. On 18 July 2022, the SC-STS released the response to feedback received on the consultation paper noting broad support from the industry for SC-STS’ recommendations and setting out the finalised approach for: (a) setting the adjustment spreads within the MAS Recommended Rate in ISDA IBOR 2020 Fallbacks Protocol, Supplement number 70 to the 2006 ISDA Definitions and the 2021 ISDA Interest Rate Derivatives Definitions as well as the SC-STS’ recommended contractual fallbacks for bilateral and syndicated corporate loans. These fallbacks will apply when Fallback Rate (SOR) is discontinued after 31 December 2024; (b) supplementary guidance on adjustments spreads for the period until 31 December 2024; and (c) application of the SC-STS supplementary guidance to active transition across various product types.

On 14 December 2022, the SC-STS published the “Implementation of Supplementary Guidance on Adjustment Spreads for the Conversion of Legacy SOR Loans to SOR” (the “**Implementation Paper**”). The Implementation Paper sets out technical details for the implementation of SC-STS’ supplementary guidance on adjustment spreads for the conversion of SOR contracts to SORA. The Implementation Paper includes the formula and computation of the MAS Recommended Rate (“**MRR**”) Adjustment Spreads and the Reference Spot Spreads (“**RSS**”) and the formula for interpolation between the RSS and MRR Adjustment Spreads for use in the active transition of unhedged loans from SOR to SORA. The Implementation Paper only covers the setting of adjustment spreads for the conversion of wholesale SOR contracts to Compounded-in-arrears SORA, and does not apply to the setting of adjustment spreads for the conversion of legacy SOR retail loans to Compounded-in-advance SORA.

Security of Digital Banking

The MAS and the ABS introduced a set of additional measures to bolster the security of digital banking following a spate of SMS-phishing scams targeting bank customers. Banks were expected to put in place more stringent measures related to digital security, including but not limited to the removal of clickable links in emails or SMSes sent to retail customers, notification to existing mobile number or email address registered with the bank whenever there is a request to change a customer’s mobile number or email address and the setting up of dedicated and well-resourced customer assistance teams to deal with feedback on potential fraud cases on a priority basis. MSL has implemented these additional measures.

On 4 February 2022, the MAS announced that they will be developing a framework for equitable share of losses arising from scams. On 25 October 2023, the MAS published the Consultation Paper on Proposed Shared Responsibility Framework which sets out a proposed shared responsibility framework for sharing responsibility for scam losses amongst financial institutions (which include all full banks and major payment institutions providing account issuance services where the payment accounts issued can store e-money), telecommunication operators which are mobile network operators, and consumers. The proposed framework is expected to be implemented via a set of guidelines to be jointly issued by the MAS and the Infocomm Media Development Authority.

On 2 June 2022, the MAS and ABS announced additional measures to further safeguard bank customers from digital banking scams. These additional measures include, amongst others, requiring additional customer confirmations to process significant changes to customer accounts and other high-risk transaction identified through fraud surveillance; providing an emergency self-service “kill switch” for customers to suspend their accounts quickly if they suspect their bank accounts have been compromised and facilitating rapid account freezing and fund recovery operations by co-locating bank staff at the Singapore Police Force Anti-Scam Centre. The additional measures are expected to be implemented by banks in Singapore by 31 October 2022. MSL is in contact with the relevant authorities and in the process of implementing such additional measures. MSL additionally maintains up to date and robust security and privacy advisories to its customers.

THE COVERED BOND GUARANTOR

Introduction

The Covered Bond Guarantor was incorporated in Singapore on 1 February 2024 as a private limited company (registration number 202404632R). The shares in the Covered Bond Guarantor are held by Intertrust (Singapore) Ltd. on trust for charitable, benevolent or philanthropic purposes. The principal place of business of the Covered Bond Guarantor is at 77 Robinson Road, #13-00, Robinson 77, Singapore 068896 (telephone number: +65 6500 6400). The Covered Bond Guarantor has no subsidiaries.

Directors

The following table sets out the directors of the Covered Bond Guarantor and their respective business addresses and occupations.

Name	Business Address
Quek Hwee Ling	77 Robinson Road, #13-00, Robinson 77, Singapore 068896

The secretary of the Covered Bond Guarantor is Lau Yee Fun.

No potential conflicts of interest exist between any duties owed to the Covered Bond Guarantor by the Directors listed above, and their private interests or other duties.

Principal Activities

The Covered Bond Guarantor has been established as a special purpose vehicle and its principal activities are set out in the Establishment Deed and include, *inter alia*, the business of acquiring the Loans and their Related Security (and any related Top-up Loans) from the Seller pursuant to the terms of the Mortgage Sale Agreement, acquiring the beneficial interest in the Trust Assets pursuant to the terms of the Declaration of Assets Trust, making Additional Contributions from time to time in accordance with the provisions of the Declaration of Assets Trust and to guarantee certain payments in respect of the Covered Bonds. The Covered Bond Guarantor will hold the Portfolio and the other Charged Property in accordance with the terms of the Transaction Documents.

Since its incorporation, the Covered Bond Guarantor has not engaged in any material activities other than those incidental to the matters contemplated in this Offering Circular, the authorisation of the Transaction Documents (including the Covered Bond Guarantee) referred to in this Offering Circular in connection with the issue of the Covered Bonds and other matters which are incidental or ancillary to those activities. The Covered Bond Guarantor has no employees.

Auditors

The independent auditor of the Covered Bond Guarantor has yet to be appointed as of the date of this Offering Circular. The Covered Bond Guarantor will appoint an independent auditor in accordance with applicable regulations before the end of its first financial year.

The Covered Bond Guarantor's Accounting Reference Date is 31 December of each year. As of the date of this Offering Circular, the Covered Bond Guarantor has not produced any financial statements.

MACROECONOMIC CONDITIONS AND HOUSING MARKET IN SINGAPORE

The following is a brief summary of the macroeconomic conditions and the housing market of Singapore derived from publicly available information. While the Issuer is not aware of any misstatements in the information relied on in the preparation of this summary, this summary is not and does not purport to be a complete representation of the macroeconomic conditions and housing market of Singapore. The information (which includes estimates and projections) is also subject to change based on various factors, including those discussed under the section headed “Risk Factors” in this Offering Circular.

Singapore Macroeconomic Conditions

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
						(%)					
Real GDP growth ⁽¹⁾	4.8	3.9	3.0	3.6	4.5	3.5	1.3	-3.9	9.7	3.8	1.1
Consumer price index growth ⁽²⁾	2.4	1.0	-0.5	-0.5	0.6	0.4	0.6	-0.2	2.3	6.1	4.8
Unemployment rate ⁽³⁾	1.9	2.0	1.9	2.1	2.2	2.1	2.3	3.0	2.7	2.1	1.9

Source: Singapore Department of Statistics

Notes:

- (1) Annual GDP at 2015 market prices, expressed as a percentage change from the previous year.
- (2) Expressed as a percentage change from the previous year.
- (3) Refers to the unemployed as a percentage of the labour force, annual average.

GDP growth

In February, the Ministry of Trade and Industry announced that Singapore's economy grew by 1.1% in 2023, moderating from 3.8% expansion in 2022.¹ The manufacturing sector shrank by 4.3%, a reversal from the 2.7% growth in 2022. All clusters recorded output declines, except for the transport engineering cluster. The services producing industries grew by 2.3%, slowing from the 5.1% growth in 2022, driven primarily by accommodation and information & communications. The construction sector expanded by 5.2%, supported by both public and private construction works.

Inflation

In 2023, consumer prices in Singapore rose to 4.8%, down from a 6.1% increase in the previous year. MAS Core Inflation which excludes “accommodation” and “private road transport” for 2023 rose to 4.2%, slightly higher than the 4.1% in 2022.²

Unemployment

The unemployment rate in Singapore fell to 1.9% in 2023, from 2.1% in 2022.

Monetary policy

Singapore has an exchange rate-centred monetary policy, under which the Singapore dollar is managed against a basket of currencies of Singapore's major trading partners and competitors under a managed float regime. The MAS tightened monetary policy in October 2021, January 2022, April 2022, July 2022 and October 2022 amid higher inflationary pressures, but maintained the existing monetary policy in April 2023, October 2023 and January 2024.

¹ Ministry of Trade and Industry Singapore – February 2024

² MAS Monetary Policy Statement – January 2024

Singapore Private Residential Property Market

The following is a summary of the private segment of residential properties and their buyers in Singapore.

Housing stock

The overall residential housing stock in Singapore is skewed towards public housing, with more than 77% in public flats. As of 2023, according to Singapore statistics, there are over 1.42 million units of housing in Singapore, of which over 1.1 million units are public flats built by the Singapore Housing and Development Board (“HDB”) and almost 0.3 million units are private residential properties.¹

Private residential property prices²

According to statistics from the Urban Redevelopment Authority (“URA”), private residential property prices, measured by the property price index (“PPI”), rose by 6.8% in 2023, a continued but more moderate growth compared to the 8.6% in 2022 and 10.6% in 2021 respectively. Homes in the Outside of Central Region (“OCR”) saw the highest jump in prices of 13.7% in 2023, followed by homes in the Rest of Central Region (“RCR”) of 3.1%, followed by Core Central Region (“CCR”), which increased by 1.9% in 2023. There was an acceleration in price increase in 2023 compared to 2022 for homes in the OCR, while price increase in the RCR and CCR in 2023 was slower when compared to 2022. According to data from URA, it is estimated that most buyers in the primary sales market are Singaporean households or HDB upgraders, suggesting that the strong pent-up aspirational demand to upgrade to a private property continues to be a key driver for demand for private homes, albeit at a slower rate. Key observations in 2023 include elevated domestic mortgage rates and increased housing supply helping moderate price momentum.

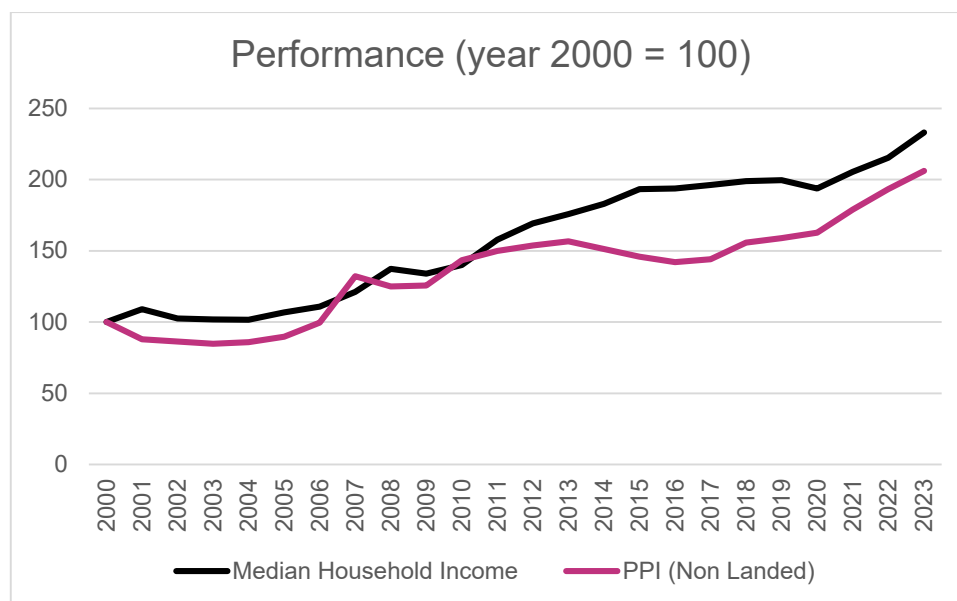
After a robust transaction year in 2021, volumes took a dip in 2022, and continued to decline in 2023. The overall transaction volume dipped to 19,044 units, a circa 13% year-on-year decline, hitting its lowest level since 2016. The drop is seen in primary sales which declined circa 10% year-on-year to 6,421 units while volumes in the resale market dipped circa 19% year-on-year to 12,623 units. The decline was largely due to limited units available for buyers in the market. Since the middle of 2022, it is noted that the government has increased the available sites for developers to bid in the Government Land Sales (“GLS”) program, which should alleviate this tight supply situation. The confirmed list supply of housing in the GLS programme has been increased significantly by around 47% to 9,250 units in 2023, up from 6,290 units in 2022.

The strong uptick in property prices and high interest rates environment brought about the FED rate hikes have resulted in the government putting in place safeguards to prevent over exuberance seeping into the property market. The government introduced a series of cooling measures in the middle of December 2021 and September 2022, with the aim of preventing the property market from overheating, which in MSL’s view will have a bearing on the property market performance in 2023. Measures such as (i) the tightening of in total debt servicing ratio (“TDSR”) rules, (ii) higher additional buyer stamp duty (“ABSD”) rates for investors, (iii) reduction in loan-to-value for HDB mortgages and (iv) ramping up supply in the HDB and private market in year 2022 government land sales program will help to rein in further price increases. In addition, the government also hiked up property taxes for most owners of high-value homes and investors. Further, with effect from 15 February 2023, the government increased the buyer’s stamp duty payable for acquisition of higher-value residential properties exceeding SGD 1.5 million. With effect from 27 April 2023, the government raised the ABSD rate further amidst resilient demand, in order to promote a sustainable property market and pre-emptively manage investment demand. MSL anticipates that these measures, which are aimed at increasing the cost of ownership for properties in Singapore whilst preventing households from over-leveraging as mortgage rates remain elevated in 2023-2024, will drive a further moderation in transaction velocity and taper expectations of price increases in 2024.

¹ Singapore Department of Statistics

² Urban Redevelopment Authority (URA) – Release of statistics for 4th Quarter 2023

The below chart uses the median household income of the resident population compared to the price performance of the non-landed property price index.



Financial situation of households¹

According to the MAS, in its financial stability review released in November 2023, Singapore household balance sheets has remained resilient amid increases in costs of living and debt servicing burdens in recent quarters. Leverage risk has fallen as households saw healthy income gains and paid down their debt, with credit quality of housing loans remaining strong.

Leverage risk continued to decrease in 2023 in the face of higher interest rates. Lower household leverage was driven by moderation in household debt and continued healthy income growth as households have been cautious in taking on additional loans due to the increase in interest rates since H2 2022. Maturity risk has increased as households accumulated more short-term debt due to the continued recovery of resident outbound travel and domestic retail sales.

Household debt-to-personal disposable income ("PDI") eased for the eighth consecutive quarter to a decade-low of 1.2 times in Q3 2023, as strong wage growth outpaced the moderate increase in household debt. On an aggregate basis, Singapore's household balance sheets are likely to have sufficient positive equity and liquidity to mitigate downside risks, though segments of vulnerabilities exist for more leveraged households and lower income households. Aggregate net wealth continues to grow at a strong pace, rising 7.6% in Q3 2023 compared to the previous year. Liquid assets such as cash and deposits continue to exceed total household liabilities, providing households with a significant financial buffer against income shocks.

The residential mortgage market in Singapore²

Bank mortgage lending activities was robust in 2023. Mortgage loans by banks stood at SGD 226 billion as of December 2023,³ 1.3% higher than the outstanding mortgage loans as at the end of 2022. These loans are secured by either mortgages over HDB flats or private residential properties, the latter of which form the majority. Separately, HDB provides concessionary mortgage financing directly to qualifying buyers

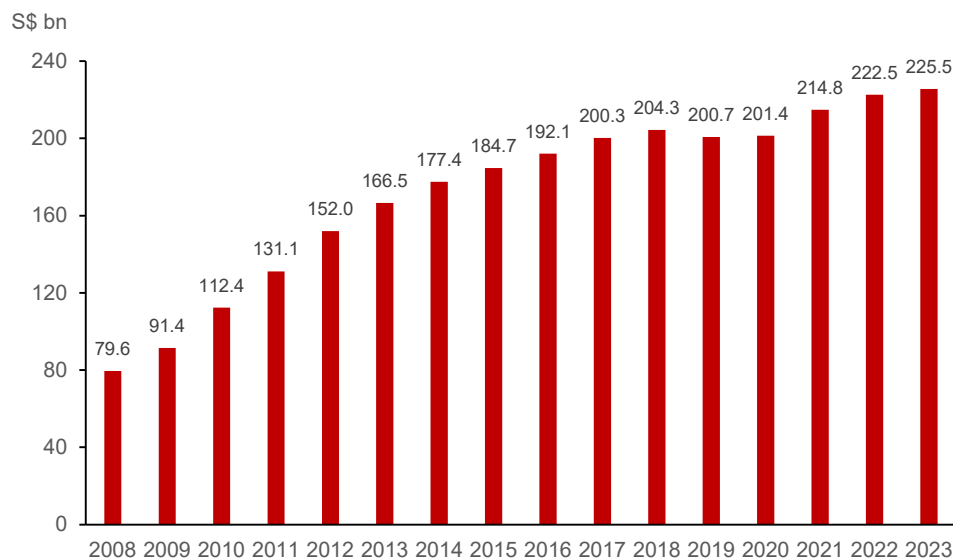
¹ MAS Financial Stability Review, Nov 2023

² MAS Financial Stability Review, Nov 2023

³ MAS Dec 2023 preliminary forecast

of its HDB flats who meet certain eligibility criteria, which according to HDB in its annual report ended 31 March 2023, amounted to approximately SGD 38 billion.

Mortgage Loans by Singapore banks (SGD billions)



Source: MAS

Outstanding housing loans have moderated in 2023, in tandem with reduced transaction activity in the property market. Housing loans accounted for about 19% of total non-bank loans in December 2023, increasing from circa 17% in December 2022. The asset quality of housing loans continues to remain sound, with average loan-to-value (“**LTV**”) of outstanding housing loans easing further from about 53.5% in 2017 to 41.0% in Q3 2023. Credit quality of housing loans continued to improve over the past year. Housing NPL ratios is declined to its lowest in a decade from 0.38% as of Q3 2021 to 0.24% as of Q3 2023.

Cash out loans

A borrower has the option to apply for cash-out loans to be secured by a mortgage over a fully paid-up private residential property or by the existing mortgage over a private residential property that was granted to secure a housing loan, provided the additional loans are within applicable LTV and TDSR guidelines.

REGULATION/LEGAL ASPECTS OF THE SINGAPORE RESIDENTIAL MORTGAGE MARKET

Regulation Aspects of the Singapore Residential Mortgage Market

Residential property loans are loans in respect of properties in Singapore which are permitted under the Planning Act 1998 of Singapore for use solely or partly for residential purposes, including HDB flats, or in accordance with its zoning in the Urban Redevelopment Authority Master Plan is permissible for use solely or partly for residential property ("**Residential Property**"). Residential Property loans issued by banks in Singapore are subject to regulation under the Banking Act, the Banking Regulations, and notices, circulars and guidelines issued by the MAS thereunder. In particular, Residential Property loans are subject to MAS Notice 632. MAS Notice 632 sets out criteria in respect of any credit facility for the purchase of Residential Property extended to a borrower or, in the case where the borrower is a vehicle set up for the purchase of Residential Property, the vehicle, and any credit facility otherwise secured by Residential Property extended to a borrower who is an individual or, in the case where the borrower is a vehicle set up for the purchase of Residential Property in Singapore, the vehicle. MAS Notice 632 prescribes, amongst other things, LTV ratios applicable to Residential Property loans, the proportion of the borrower's minimum cash contribution towards the purchase of the Residential Property and prohibits interest-only loans and interest absorption schemes. Below is a summary of some of the more significant requirements of MAS Notice 632.

In addition, the MAS introduced a Total Debt Servicing Ratio ("**TDSR**") framework in June 2013 for all property loans granted by banks to individuals (including sole proprietorships and vehicles set up for the purchase of property) pursuant to MAS Notice 645 on Computation of Total Debt Servicing Ratio for Property Loans and the Guidelines on the Application of Total Debt Servicing Ratio for Property Loans under MAS Notices 645, 1115, 831 and 128. The TDSR framework requires banks to take into consideration borrowers' other outstanding debt obligations when granting property loans. Banks are required to compute the TDSR, or the percentage of monthly total debt obligations to gross monthly income, on a consistent basis. On 16 December 2021, the MAS revised the TDSR threshold of 60% to 55% for all housing loans granted on or after the said date, which means, the individual's monthly total debt obligations should not exceed 55% of his gross monthly income. Property loans in excess of the TDSR threshold of 55% should only be granted on an exceptional basis and banks should clearly document the basis for such loans. The revised threshold of 55% will also apply to new mortgage equity withdrawal loan (MWL) applications made on or after 16 December 2021 unless the LTV of the MWL when aggregated with any other loans secured on the same property, does not exceed 50%. In addition, processes should be in place to subject exceptional cases to enhanced credit evaluation and reporting to the MAS. From 11 March 2017, the TDSR framework was disappplied to credit facilities secured by property where the aggregate of the amount to be granted under the credit facility and the balance outstanding under any other credit facility or refinancing facility granted by any person for the purchase of that property or otherwise secured by that property does not exceed 50% of the current market valuation of the property. This latest disapplication does not apply to credit facilities and refinancing facilities for the purchase of property.

The MAS has also capped the mortgage servicing ratio for housing loans granted by banks for the purchase of HDB flats and executive condominium units where the minimum occupancy period of the executive condominium has not expired at 30% of a borrower's gross monthly income. The TDSR framework was also fine-tuned from 1 September 2016 to allow borrowers more flexibility in managing their debt obligations.

On 29 September 2022, the MAS announced that it will raise by 0.5% point the medium-term interest rate floor used by private financial institutions such as banks to compute a borrower's TDSR and mortgage servicing ratio. For residential property purchase loans and MWL, the medium-term interest rate will now stand at the higher of a 4% per annum floor (up from 3.5% per annum) or the thereafter interest rate (i.e.

the highest possible interest rate applicable during the tenure of a property loan, excluding introductory or promotional rates). These changes will take effect and apply to loans for the purchase of properties where the Option to Purchase is granted on or after 30 September 2022, or where there is no Option to Purchase, the date of the Sale and Purchase Agreement is on or after 30 September 2022. They will also apply to new MWL applications made on or after 30 September 2022. MAS Notice 645 has been updated to reflect the foregoing amendments. In addition, the MAS announced that it will lower the LTV limit for HDB housing loans from 85% to 80%. This will however not apply to housing loans granted by private financial institutions, for which the LTV limit continues to remain at 75%.

Loan-to-value ratios and borrower's contribution

MAS Notice 632 sets out the maximum LTV ratios and the Minimum Cash Amount in respect of Residential Property loans. These figures vary depending on a number of factors, which include the date on which the option to purchase the Residential Property was granted (or the date of the sale and purchase agreement), whether the borrower is an individual and whether he or she has any other outstanding credit facility for the purchase of another Residential Property, as well as the tenure of the credit facility. MAS Notice 632 provides that banks may not grant:

- (a) credit facilities for the purchase of Residential Property to a borrower (individual or non-individual) or, in the case where the borrower is a vehicle set up for the purchase of Residential Property, the vehicle; and
- (b) credit facilities otherwise secured by Residential Property to a borrower who is an individual or, in the case where the borrower is a vehicle set up for the purchase of Residential Property, the vehicle,

where the aggregate of (i) the amount granted under the credit facility, (ii) the balance outstanding under any other credit facility granted by any MAS-regulated financial institution or moneylender in respect of that Residential Property or secured by that Residential Property and (iii) the balance outstanding under any loan granted by the vendor to the borrower for the purchase of that Residential Property exceeds the "Relevant Amount" as defined in MAS Notice 632 (which is derived from a formula which takes into account, amongst other things, the adjusted purchase price or current market valuation of the property, the LTV ratio and/or the Minimum Cash Amount).

Restrictions on tenure

Generally, MAS Notice 632 also prohibits banks from granting any credit facility for the purchase of Residential Property, any credit facility secured by Residential Property or any refinancing facility for a credit facility otherwise secured by Residential Property, where the tenure of the relevant credit facility exceeds 35 years.

There are also restrictions on the tenure of refinancing facilities for the purchase of Residential Property.

Prohibition on interest-only loans and interest absorption schemes

Further, banks in Singapore are also prohibited from:

- (c) granting any credit facility for the purchase of Residential Property, or a refinancing facility (subject to certain exceptions), on terms where only the interest under the credit facility is payable and none of the principal amount is repayable for a certain period during the term of the facility;
- (d) granting any credit facility for the purchase of Residential Property where the vendor of the Residential Property, its agent, nominee or any other party by arrangement with the vendor has, under an interest absorption scheme, agreed to pay any of the interest which is payable in respect of the credit facility; and
- (e) entering into any agreement or arrangement with a vendor for the purposes of giving effect to an interest absorption scheme.

Borrower to be Mortgagor

There are also restrictions in MAS Notice 632 on granting credit facilities (including refinancing facilities) for the purchase of Residential Property where the borrower is not the mortgagor, either by himself or jointly, of the Residential Property.

Legal Aspects of the Singapore Residential Mortgage Market

The following discussion is a summary of the material legal aspects of the Singaporean residential mortgage market and is not an exhaustive analysis of the relevant law.

Singapore Land Registration System

In Singapore, most of the lands are governed by the Torrens title system, and administered in accordance with the Land Titles Act, and, in the case of land which has been strata subdivided, the Land Titles (Strata) Act (together with the Land Titles Act, the “**Land Related Acts**”).

One of the key features of the Land Titles Act is the principle of “title by registration”, which means that no instrument is effectual to pass any estate or interest in registered land until it is registered in accordance with the Land Titles Act. Further, under the said Act, interests appearing in the land register have priority only in accordance with their order of their registration or notification, without any regard to the dates of the instruments by which these interests were created.

The Singapore Land Authority, a statutory board under the Ministry of Law, is given the duty and power to administer the systems for the recording and registration of transactions relating to land in Singapore in accordance with the Land Related Acts. Presently, for private land, an electronic land register is maintained, and registration and public searches may be conducted electronically.

Torrens Title

The title to each type of interest or estate in a parcel of land (whether freehold or leasehold, and including any strata subdivided unit) is comprised in and represented by a specific folio created in the land register and each folio has a distinct reference allocated to it. The folio records, *inter alia*, the particulars of the land and the interest created, the name(s) of the registered owner(s) for the time being of that interest, and such other estates or interests that affect the land. The Registrar of Titles may, if he thinks fit, issue a certificate of title (“**CT**”) (in the case of landed property), a subsidiary strata certificate of title (“**SSCT**”) (in the case of a strata subdivided property), or a subsidiary certificate of title (“**SCT**”) (in the case of certain sublease interests), each bearing a serial number which shows clearly the distinctive reference allocated to the relevant folio. Where the CT, SCT or SSCT has been issued by the Land Titles Registry, a print-out of such title document will be delivered to the registered owner(s) or the registered mortgagee or chargee (as the case may be) in accordance with the Land Related Acts.

As part of the ongoing efforts to progress towards a fully electronic environment, the Singapore Land Authority is now working towards a paperless electronic title system, whereby the CT, SCT or SSCT (as the case may be) will not be printed by the Land Titles Registry after the registration of instruments, thereby dispensing with the need for print-outs of the relevant title documents to be safekept. Presently, the paperless title scheme is extended to all properties with mortgages granted to financial institutions licensed by the MAS. Under the paperless title scheme, a prescribed online form of authorisation which has been digitally signed by an authorised officer of the mortgagee which is entitled to be in possession of the relevant title document is to be submitted electronically to the Land Titles Registry to authorise the registration of an instrument against the title of the relevant property (instead of producing the print out of the title document).

Only instruments or forms approved by the Registrar of Titles may be used to register any dealings affecting the registered land. Where the CT, SSCT or SCT has been issued, the relevant print-out of the title document (where such title document has been printed) or the prescribed authorisation form digitally

signed by the relevant party (where such title document has not been printed) must be produced for the purpose of effecting the registration of any instrument lodged with the Land Titles Registry.

Under this Torrens registration system, the State guarantees the title to the registered land and an assurance fund is maintained pursuant to the Land Titles Act for the purposes of compensating any person who is deprived of land or sustains loss or damage through any omission, mistake or misfeasance of the Registrar of Titles or any member of his staff.

Strata Title

A building can be subdivided into different lots of delineated parcels of airspace and such parcels may be dealt with individually. For such strata subdivided airspaces or units, the Singapore Land Authority maintains a separate subsidiary strata land-register in accordance with the Land Titles (Strata) Act and the provisions of the Land Titles Act are applicable in all respects (unless they are inconsistent) to such land and strata subdivided airspaces or units. A folio is created in the land-register for the land pursuant to the Land Titles Act and a separate folio is created in the subsidiary strata land-register pursuant to the Land Titles (Strata) Act in respect of the interest created for each strata subdivided airspace or unit.

For those parts of the land and the building which are outside the strata subdivided airspaces or units, such as the open space, lifts, lobbies, corridors, carparks and stairways, these are considered “common property” under the Land Titles (Strata) Act and are held by the owners for the time being of all the strata subdivided airspaces or units as tenants in common. Each owner is assigned a certain share value and the share value in turn determines, *inter alia*, the proportionate share of the common property owned by such owner.

The interest of the owner in the relevant strata subdivided airspace or unit and his share in the “common property” in accordance with the allotted share value are recorded in the relevant folio.

Under the Land Titles (Strata) Act, the owners of all the strata subdivided airspaces or units registered from time to time constitute the management corporation for that estate. The management corporation has the duty and power under the Building Maintenance and Strata Management Act to control, manage and administer the common property for the benefit of all owners.

Under the Building Maintenance and Strata Management Act, a management fund and a sinking fund are to be established and maintained by the management corporation, and the contributions by owners of the strata subdivided airspaces or units towards these funds are to be determined at general meetings of the management corporation from time to time. The management fund is generally for the purpose of discharging liabilities relating to the regular maintenance and upkeep of the common property and the sinking fund is generally for the purpose of meeting actual and future capital expenditures such as painting of the external façade of the buildings, major repairs and improvements of common property and boundary walls. Generally, the management corporation may levy such contributions by serving notices to the owners, and the contributions in respect of each unit must be in shares proportional to the share value of that unit. The foregoing general position is subject to certain exceptions set out in Section 41 of the Building Maintenance and Strata Management Act. If a mortgagee is in possession of the strata subdivided airspace or unit, the mortgagee is jointly and severally liable with the owner for such contributions.

Generally, the management corporation has the right to sue an owner or a mortgagee in possession for any unpaid contributions or levies. Under the Building Maintenance and Strata Management Act, if any contribution remains unpaid for a period of 30 days after the management corporation has served a written demand for the amount, the management corporation may also lodge an instrument of charge against the unit and the outstanding amount (including interest, if any) constitutes a charge on the unit. Upon registration of such a charge, the management corporation has the power to sell the strata subdivided airspace or unit as if such management corporation is a registered mortgagee, to recover such outstanding contributions. Further, it is provided in the Building Maintenance and Strata Management Act that such

charge in favour of the management corporation cannot be over-reached by the exercise of the power of sale by a prior registered mortgagee or chargee of that unit.

Once the whole amount or contribution due (including interest thereon) and any necessary or incidental charges (including legal costs) are paid to the management corporation, the owner of such unit shall be entitled to an instrument of discharge executed and acknowledged by the management corporation as to the receipt of such payment. Upon registration of the instrument of discharge, the unit shall be freed from the charge constituted under the Building Maintenance and Strata Management Act.

State Lands Act

Title to private residential properties in Singapore may be freehold or leasehold. Freehold interests may be in the form of an estate in fee simple or an estate in perpetuity, the latter being an interest granted by the State under the State Lands Act. As for leasehold interests, these may be comprised, *inter alia*, in a private lease or a State lease granted by the government pursuant to the State Lands Act.

A grant or lease pursuant to the State Lands Act must be in form prescribed under the State Lands Act and signed by the Collector of Land Revenue, setting out the terms of such grant or lease, including the rent payable, if any. For a grant issued under the State Lands Act, certain covenants are implied by virtue of the said Act to be included in the grant (unless there is an express provision to the contrary) and one of these covenants is that the relevant land may not be assigned or demised "in parcels or otherwise than the entirety thereof except in the case of a lease for a term not exceeding 7 years". Further, such grant or lease is subject to certain agreements and conditions stipulated in the State Lands Act (unless there is an express provision to the contrary), for example, the right of the officers of the government and their workmen to have free access to the land for laying of drains, sewers, water pipes, electric and telecommunication wires and the right of the State to re-enter the land upon the breach of covenants by the owner.

Land Acquisition Act

All land in Singapore may be acquired by the State under the Land Acquisition Act. Generally, a public purpose or a certain specified purpose, such as the building of transportation, infrastructure or public housing, must be present before the State may exercise its rights of compulsory acquisition in respect of such land. The declaration for the acquisition of land for such purpose is usually published by way of notification in the Government Gazette and such notification is conclusive evidence that the land is needed for the purpose specified in the notification.

Upon the publication of the notification, the Collector of Land Revenue will be directed to take proceedings for the acquisition of land. A notice will be published in the daily local newspapers circulating in Singapore stating, *inter alia*, that the State intends to acquire the land and that claims to compensation for all interests in the land may be made to the Collector of Land Revenue. Notices will also be served on every person known or believed to be interested in the land or any person known or believed to be entitled to act for a person so interested, to inform them of the same.

Thereafter, the Collector of Land Revenue shall proceed to inquire into any objections and as soon as possible after the conclusion of the inquiry make an award of the area of the land to be acquired, the compensation which in his opinion should be allowed for the land and the apportionment of compensation among all persons known or believed to be interested in the land. Presently, compensation will be based on the market value of the land to be acquired under the Land Acquisition Act.

After the award has been made, the Collector of Land Revenue may take possession of the land by serving a copy of the appropriate notice of taking possession on every person interested in the land or any person known or believed to be entitled to act for a person so interested.

Mortgages over Registered Land

Registered land may be mortgaged to secure payment of a debt. Typically, there are two parties to a mortgage. The first is the mortgagor, who is the property owner who grants the mortgage. The mortgagor may also be the borrower. Where the mortgagor is not the borrower, the borrower will be joined as a party to the mortgage. The second party is the mortgagee, who is the lender or security trustee of a lender. Generally, for private residential property, a housing loan is granted on the basis that it be secured by a mortgage, which mortgage has a first ranking priority over all other mortgages or charges granted by the mortgagor and over all unsecured creditors of the borrower, except for the statutory charges created in favour of the CPF Board and certain other statutory rights which are granted priority, for example a claim against the owner of a mortgaged property for property tax, etc.

For a mortgage over a property to be enforceable and conferred the requisite priority, such mortgage must be granted by way of an approved form of instrument of mortgage and registered with the Land Titles Registry. Where the CT, SCT or SSCT of the property has been issued, the print-out of the title document of the relevant interest in the property must be produced to the Land Titles Registry for registration of such mortgage. Upon registration, a statement on the registration of the mortgage will be recorded on the folio and a new edition of the CT, SCT or SSCT (as the case may be) with the relevant memorial of registration of the mortgage will be issued. A print-out of that new edition title document will be delivered to the mortgagee of a first ranking mortgage, unless such first ranking mortgagee agrees to some other arrangement. Under the paperless electronic title system, a prescribed online form of authorisation will have to be completed and submitted electronically by the holder of the title document to the Land Titles Registry (instead of producing the physical print-out of the title document) for registration of the mortgage. Upon registration, instead of a print-out of that new edition title document being issued, the Land Titles Registry will issue a land register search print-out which will show, *inter alia*, the relevant memorial of registration of the mortgage.

Under the Land Titles Act, a registered mortgage has effect as a security only and does not operate as a transfer of the title to the mortgaged land. The mortgagor remains the legal owner of the relevant estate or interest in the relevant mortgaged land. The mortgagee is given certain rights and powers under the Land Titles Act, such as (1) to effect the transfer of title to the mortgaged land by the mortgagee in exercising its power of sale, (2) the right to enter into possession of the mortgaged land after one month's written notice is given and (3) the right to foreclose the relevant mortgaged land. Except for the right of foreclosure, the rights in (1) and (2) are generally exercisable without the assistance of the court.

When the secured obligations under the mortgage are fulfilled, the mortgagor is entitled to obtain from the mortgagee an instrument of discharge of mortgage in the approved form prescribed by the Land Titles Act. Once the discharge instrument is registered, the land which is the subject of the mortgage will be freed from the mortgage and from all rights and powers of the mortgagee, either absolutely or to any lesser extent as expressed in the discharge.

Transfer of Registered Mortgages

A mortgagee of a registered mortgage may effect the transfer of its interest in the mortgage by registering an instrument of transfer of mortgage in the approved form with the Land Titles Registry. The particulars required for such instrument include the registration number of the relevant registered mortgage, the distinctive reference number of the CT, SSCT or SCT (as the case may be), and the particulars of the mortgaged land.

Once the instrument is registered with the Land Titles Registry, the transferee will be entitled to all of the mortgagee's rights, powers and remedies (both express or implied) in the mortgage. However, as a mortgagor is not bound under the Land Titles Act to account to the transferee if, *inter alia*, the mortgagor is not notified in writing of such transfer, it would be necessary for the transferee to ensure that appropriate written notice is given to the mortgagor as soon as possible.

Mortgagee's Power of Sale

When a registered mortgagee exercises its power to sell mortgaged land, the Land Titles Act specifically permits the Registrar of Titles to register any transfer of title to the mortgaged land by the registered mortgagee without having to inquire whether default has occurred, whether notice has been given or whether the power was otherwise properly or regularly exercised. Upon registration of such a transfer, it is expressly provided in the Land Titles Act that the interest of the mortgagor will pass to and vest in the transferee freed and discharged from all liability on account, *inter alia*, of that mortgage or any other interest registered or notified subsequent to the mortgage and which is not binding on the mortgagee.

Upon sale of the mortgaged land, the monies received by a mortgagee must first be applied towards discharge of all prior interests and encumbrances to which the sale is not made subject (if any) and all other statutory liabilities. Under the Land Titles Act, the mortgagee is required to apply the balance of such proceeds, firstly towards payment of all costs and expenses properly incurred as incidental to the sale or any attempted sale of the mortgaged land, secondly towards discharge of the mortgage money, interest and costs and other money and liability (if any) secured by the mortgage, thirdly towards payment of subsequent mortgages and charges (if any) in the order of their priority, and the residue to be paid to the person appearing on the land-register to be entitled to the mortgaged land.

Residential Property Act

In Singapore, non-Singapore citizens, companies, limited liability partnerships and societies ("**Foreign Persons**") and each a "**Foreign Person**") are prohibited under the Residential Property Act 1976 of Singapore to purchase or acquire (whether by creation of a trust, by gift *inter vivos* or otherwise, or for consideration) certain types of residential properties or any interest therein without the prior approval of the Minister of Law, except by way of a mortgage or charge, and such dealings in contravention of the Residential Property Act shall be null and void. Under the Residential Property Act, a "Singapore company" means, *inter alia*, a Singapore-incorporated company where all its directors and members are Singapore citizens, and where any of its members is a company or limited liability partnership, such members must be a Singapore company or a Singapore limited liability partnership, and so must each of its direct and indirect holding entities.

These restricted residential properties include vacant residential land, landed property such as detached houses, semi-detached houses, terrace houses and landed dwelling houses within strata developments which development is not approved by the relevant competent authority as a "condominium".

Therefore, in respect of mortgaged land which is a restricted residential property under the Residential Property Act, a mortgagee when exercising its power of sale will similarly be prohibited from selling and transferring such mortgaged land to a Foreign Person unless the approval of the Minister of Law is obtained. Further, in the event the estate or interest in the mortgaged land (other than security interest) is vested in the mortgagee who is a non-Singapore company or entity (whether pursuant to an order of foreclosure or otherwise), the mortgagee must sell the restricted mortgaged land within a period of three years of the date of the order of foreclosure or of the date of the vesting of such interest in the mortgagee (unless an extension of time is granted by the Minister of Law), failing which the Minister of Law may issue a notice of attachment and sell the mortgagee's estate or interest in that restricted mortgaged land.

CPF Board

In Singapore, the CPF was established in 1955 pursuant to the CPF Act, primarily as a compulsory comprehensive savings plan for working Singapore citizens and permanent residents to fund their retirement, healthcare and housing needs. The CPF is administered by the CPF Board, a statutory board established under the CPF Act. All working Singapore citizens and permanent residents ("**CPF members**" and each a "**CPF member**") and their employers are required to contribute varying percentages of their monthly wages to the fund. Each monthly contribution will be credited into the three accounts of that

employee, namely the ordinary account, the special account and the medisave account. The savings in each of the accounts earn interest at different rates guaranteed by the Singapore government.

Subject to certain terms and conditions, under the present approved schemes, a CPF member may apply to use monies standing to his credit in the CPF ordinary account (or in certain cases the CPF special account), *inter alia*, to buy a private residential property or to repay (whether on a monthly basis or otherwise) the housing loan taken up for the acquisition of such private residential property and/or (where applicable and approved by the CPF Board) the loan taken up to finance the costs of construction of a new dwelling house on the property. On withdrawal of such monies, a charge over the private residential property is automatically created under the CPF Act to secure the repayment of the withdrawn CPF Funds together with interest that would have accrued if the withdrawal had not been made. For private residential property, the CPF Board requires a charge instrument to be registered against the title of the property before the registration of any mortgage, or, in the case of a mortgage which is already registered, such mortgage interest to be postponed after the charge in favour of CPF Board. On registration of such a charge, the CPF Board will have the power of sale and all other powers relating or incidental thereto as if it is a registered mortgagee.

Under the present regime, for a residential property bought on or after 1 September 2002 or where a contract or agreement for housing loan is signed with the mortgagee on or after 1 September 2002, when the property is sold (whether by the exercise of power of sale by the mortgagee or the CPF Board), or when the property is compulsorily acquired by the State, the proceeds (after deducting all costs and expenses incurred directly in connection with the sale of the property or in connection with the proceedings relating to the compulsory acquisition) are to be applied to repay the mortgagee (which in the case of the CPF Loans (as defined below in the section "*The Loans and the Portfolio — CPF Loans and Non-CPF Loans*") is the Seller or the transferee of the relevant Mortgage, as the case may be) and the CPF Board in the following order of priority:

- (i) first, in payment to the mortgagee of an amount equivalent to the balance of the housing loan outstanding and remaining unpaid as at the date the borrower or mortgagor defaulted in the repayment of the housing loan or as at the date of publication of the gazette notification relating to such compulsory acquisition (as the case may be and whichever is earlier) together with the interest on the housing loan calculated on a day to day basis up to and remaining unpaid as at the date of such default or the date of such publication (as the case may be and whichever is earlier);
- (ii) second, in payment to the CPF Board of an amount equivalent to the aggregate of:
 - (a) the monies withdrawn from time to time up to 100% of the value of the property at the time of the agreement for purchase of the property by the mortgagor; and
 - (b) the monies withdrawn from time to time to pay the fees (including valuation and survey fees), stamp duties, charges and legal costs in connection, *inter alia*, with the purchase of the property, the CPF Board's charge and the mortgage in favour of the mortgagee;
- (iii) third, in payment, *pro rata* and *pari passu*, to:
 - (a) the CPF Board of an amount equivalent to the aggregate of
 - (C) the monies withdrawn from time to time in excess of amount paid or payable under paragraph (ii) above; and
 - (D) the interest on the total amount of monies withdrawn that would have been payable if the withdrawal had not been made; and
 - (b) the mortgagee of the balance amount of interest on the housing loan still owing under the mortgage after taking into consideration the interest payments made under paragraph (i) above;

- (iv) fourth, in payment, *pro rata* and *pari passu*, to:
 - (a) the CPF Board towards satisfaction of all costs and expenses and other monies which the CPF Board is entitled to receive under the CPF Board's charge; and
 - (b) the mortgagee of all costs and expenses which the mortgagee is entitled to receive under the mortgage; and
- (v) fifth, in payment to the mortgagee of all other monies owing and payable to the mortgagee under the mortgage, including such principal sums, interests and fees in connection with other credit or banking facilities granted by the mortgagee and which are not payable to the mortgagee under the paragraphs above.

For the avoidance of doubt, the amount equivalent to the True Balance of a CPF Loan (together with interest on the CPF Loan calculated on a day to day basis up to and remaining unpaid as at the date of the Borrower's or the Mortgagor's default in the repayment of the CPF Loan, or as at the date of publication of the relevant gazette notification relating to compulsory acquisition of the relevant Property) due to the Covered Bond Guarantor ranks in priority to payments to the CPF Board (as described in paragraphs (i) and (ii) above). Any interest accrued on that CPF Loan on and from the date of default by the Borrower and/or the Mortgagor and certain non-sale related costs and expenses (such as insurance premiums payable in respect of the property) which the Covered Bond Guarantor is entitled to receive under the Mortgage will only be paid to the Covered Bond Guarantor after the refund of the withdrawn CPF Funds is made to the Mortgagor's CPF account(s). See also the section titled "*Risk Factors — Risks Relating to the Covered Bonds — The CPF Board and other creditors/third parties may have a statutory preference in priority to the Mortgage*".

The withdrawal of CPF Funds is subject to certain terms and conditions of the CPF Board and these include the following:

- (i) the instrument to notify the CPF Board's charge must be registered before the registration of any mortgage in favour of the financier;
- (ii) if a default by the borrower or the mortgagor occurs for a continuous period of more than seven days, the mortgagee must notify the CPF Board by registered post of such default within three months and seven days from the occurrence of such default;
- (iii) the mortgagee must not exercise its power of sale without the prior written consent of the CPF Board (such consent not to be unreasonably withheld);
- (iv) the mortgagee must not create any sub-mortgage or effect a transfer or assignment of the mortgage or make any application to Court for a foreclosure order without the prior written consent of the CPF Board;
- (v) the mortgagee shall ensure that every sub-mortgagee or transferee or assignee of the mortgagee has notice of the various requirements and agrees with the CPF Board to observe and comply with and be bound by such terms; and
- (vi) the mortgagee is entitled to have possession of the documents of title relating to the mortgaged property and is obliged to produce the same when required by the CPF Board.

Under the current policy of the CPF Board, if the property is sold at or above the fair market value and the proceeds are insufficient to (1) repay the outstanding housing loan together with interest calculated up to the date of default under the mortgage (or, if there is no such default, the date of disposal of the property) owing to the mortgagee and (2) refund such sums withdrawn from the mortgagor's CPF account(s) for the acquisition or financing of the property, the CPF Board does not require any top up of such shortfall owing to the CPF Board.

Other Statutory Charges, Property Tax and Estate Duty

Other statutory charges may exist in respect of the private residential properties, and these statutory charges have priority over the registered mortgage.

Property Tax

In Singapore, a yearly property tax is payable by the owner of a private residential property (which includes a mortgagee in possession who is entitled to receive rent from the property) in advance in January each year (unless the tax authority permits extension of time or payment by instalments). The amount of such yearly property tax is calculated based on a rate specified by the tax authority yearly upon the annual value of such property as assessed by the tax authority. Under the Property Tax Act 1960 of Singapore (the "**Property Tax Act**") such property tax constitutes a first charge on the relevant property.

The tax authority has several remedies against the owner under the Property Tax Act for failure to pay such property tax, including the power to impose a penalty for non-payment of such tax and the right to sue for the recovery of the tax and the penalty levied. For recovery of arrears, the tax authority is entitled to seize and sell by public auction any movable properties found on the property in respect of which the arrears are due. If the value of the movable properties as estimated by the tax authority is insufficient to realise the sum required to satisfy the arrears and costs, the tax authority may also sell by public auction the property in respect of which the arrears are due after having served or published notice of its intention to sell and after the expiration of three months from the date of such notice. Under the Property Tax Act, the title conferred on a purchaser acquiring the property from the tax authority is deemed to be free from all encumbrances and from all subordinate interests deriving from it, including the registered mortgage, unless expressly reserved by the Comptroller of Property Tax at the time of the sale.

If the property is sold, the arrears of property tax together with interest thereon at such rate as may be prescribed by the tax authority and the costs of recovery will be satisfied first. The tax authority will pay any surplus remaining thereafter to all such persons who have made claims on such surplus if the tax authority is satisfied as to the right of each such person.

However, the tax authority must desist from proceeding further with the sale of the property if a person who has interest in the property settles all arrears with interests and costs with the tax authority.

Estate Duty

Singapore abolished the levy of estate duty with effect from 15 February 2008, and the Estate Duty Act 1929 of Singapore (the "**Estate Duty Act**") will apply only in relation to persons who died before 15 February 2008.

Under the Estate Duty Act, estate duty is payable in respect of any property passing on the death of a person and such duty constitutes a first charge on the immovable properties of such deceased person. However, after the expiration of 12 years from the death of the deceased person, such immovable property will not be charged with such estate duty as against a purchaser for valuable consideration or a mortgagee.

The tax authority is empowered under the said Act to impose interest and penalty in respect of any outstanding estate duty and is entitled to recover the same under the Estate Duty Act. Upon full settlement of the estate duty, the tax authority must, when required by the person accounting for the estate duty, give a certificate confirming the full settlement of such duty, which certificate shall discharge the property from any further claim of estate duty.

DESCRIPTION OF THE SINGAPORE COVERED BOND REGIME

The issuance of covered bonds is subject to requirements prescribed by the MAS, as set out in MAS Notice 648, which was issued on 31 December 2013 and last revised on 24 June 2022.

MAS Notice 648 prescribes various requirements relating to, among other things, pool assets, cover pool monitors and risk management processes. In this regard, banks have various initial and ongoing obligations under MAS Notice 648 and are responsible for ensuring they comply with them.

In particular, MAS Notice 648 includes requirements:

- (i) that the aggregate value of assets in cover pools for all covered bonds issued by a bank itself, through a special purpose vehicle (an “SPV”), or both the bank and the SPV, and of assets transferred to the SPV that are capable of being included in the cover pool but do not in fact form part of the cover pool shall not exceed 10% of the value of the total assets (subject to certain deductions) of that bank at all times;
- (ii) that the cover pool asset class may only include:
 - (a) residential mortgage loans;
 - (b) any other loans secured by the same residential property as the residential mortgage loans;
 - (c) assets, including intangible properties that form part of all the security provided for the residential mortgage loans (such as guarantees and indemnities);
 - (d) any interest held by the bank as trustee or replacement trustee for the SPV in relation to the residential mortgage loans or the assets referred to in (ii)(b) to (ii)(c);
 - (e) derivatives held for the purpose of hedging risks arising from the particular issuance of covered bonds;
 - (f) cash (including foreign currency);
 - (g) Singapore Government Securities (as defined in MAS Notice 648); and
 - (h) MAS Bills (as defined in MAS Notice 648).

The Notice also provides that the aggregate value of the cash (including foreign currency), Singapore Government Securities and MAS Bills in the cover pool cannot exceed 15% of the aggregate value of all the assets in the cover pool (subject to certain exceptions for example where such cash and securities are held in view of payment obligations due and payable within the next 12 months). A bank incorporated in Singapore is also required to use only its own assets, and not that of other entities in the banking group, to form the cover pool;

- (iii) on minimum overcollateralisation (the aggregate value of assets in a cover pool must be at least 103% of the outstanding nominal amount of the covered bonds secured by the assets at all times). The Notice specifies certain haircuts on valuation of residential mortgage loans included in the cover pool when calculating such overcollateralisation;
- (iv) on the bank to conduct valuations on the residential properties used to secure the loans, on an annualised basis at the minimum;
- (v) on the bank to put in place adequate risk management processes and internal controls to manage the risks arising from the issuance of covered bonds. This includes:
 - (a) having in place appropriate governance arrangements (such as identifying the approval authority within the bank (or the SPV, where the bank uses an SPV to issue covered bonds) with respect to the covered bond programme), performing regular (and in any case, annually)

asset coverage tests to ensure collateral quality and the proper level of overcollateralisation, conducting regular stress tests on risks arising from issuing covered bonds such as default, pre-payment, currency, interest rate, counterparty and liquidity risks. The bank or SPV is required to ensure that its board and senior management or trustee, as the case may be, are responsible for conducting due diligence in assessing the risks associated with issuing covered bonds and ensuring that risk management processes that are put in place for covered bonds are adhered to. The bank or the SPV is required to disclose to the covered bondholders results of the asset coverage tests performed and cover pool characteristics on a regular basis (and in any event, quarterly); and

- (b) appointing a cover pool monitor (being a qualified external auditor) for the programme to, among other things, verify annually that the bank or the SPV has complied with the requirements on the composition of the assets in the cover pool and keeps an accurate register of the assets in the cover pool, assess the adequacy of the bank's or the SPV's risk management process and internal controls relating to the covered bond programme annually, submit a certified report annually to the MAS and report to the MAS immediately if it becomes aware that the bank or the SPV has breached any of the conditions imposed by the MAS;
- (c) obtaining a legal opinion that the assets in the cover pool are beyond the bank's reach and the reach of the bank's creditors, even in insolvency; and
- (d) when transferring the legal right to, or perfecting the assignment of assets comprising the cover pool, disclosing the consequences of such transfer or assignment to each borrower whose residential mortgage loan or asset is transferred.

Covered bond issuers are also subject to various information requirements *vis-à-vis* the MAS.

THE LOANS AND THE PORTFOLIO

The Covered Bond Guarantor will acquire Loans via an Equitable Assignment for non-CPF loans or a Declaration of Trust for CPF loans, as the case may be, and these Loans will be originated by the Seller. The following summary outlines the types of Loans, their key features, security arrangements and the Seller's processes for origination, approval, underwriting, and enforcement. It also outlines the Seller's historical loan performance and defines CPF and non-CPF loans.

It is important to note that both the features of the Loans and these processes are subject to periodic changes.

Type of Loans Offered by the Seller to the Borrowers and/or Mortgagors

The Seller offers a range of loans to Borrowers and/or Mortgagors. Subject to the Eligibility Criteria, the Seller may transfer to the Covered Bond Guarantor any of the listed types of loans, whether they have been previously offered or are presently available. Additionally, the Seller may assign any new loan types, subject to securing a Rating Agency Confirmation, that may be introduced in the future.

There are two main types of loan packages: fixed rate and floating rate loans. Interest rates for a fixed rate loan is fixed for a period, typically lasting two to three years, whereby the bank cannot change. Upon expiry of the fixed rate period, the loan will float against a reference rate, such as the Singapore Offered Rate Average ("**SORA**"). Floating rate loans are referenced against a benchmark rate such as an interbank-pegged rate such as SORA or the Singapore Interbank Offered Rate ("**SIBOR**") or against a bank administered board rate such as the Singapore Residential Financing Rate ("**SRFR**") or the 36-month Fixed Deposit Mortgage Rate ("**FDMR36**"), a spread is typically applied over/ below the reference rate.

Key Features of the Loan

Key features of the loan include:

- (a) an extended tenure for the purchase of residential properties or refinancing of an outstanding residential property loan from another financial institution;
- (b) an extended tenure for the purchase of residential properties for owner occupation or investment;
- (c) being used for the purchase of private residential properties which may be either completed or under-construction;
- (d) typically, except loans extended to properties under-construction, a commitment period whereby any prepayments undertaken would attract a prepayment penalty;
- (e) a loan tenure capped at 35 years or when the borrower reaches 75 years of age, whichever is earlier; or in accordance with the latest guidelines provided by the MAS;
- (f) the LTV limits change depending on the number of outstanding housing loans a borrower has. For loans on residential properties where the Option to Purchase is granted on or after 6 July 2018, the following LTV limits apply:

Outstanding Housing Loan	LTV Limit	Minimum Cash Downpayment
None	75% or 55%	<ul style="list-style-type: none"> • 5% (for LTV of 75%) • 10% (for LTV of 55%)
1	45% or 25%	25%
2 or more	35% or 15%	25%

A lower LTV limit will be applied if the loan tenure exceeds 30 years, or if the loan period extends beyond the borrower's age of 65 years; or in accordance with the latest guidelines provided by the MAS.

- (g) Accepted loans must be disbursed within the period as stipulated in the letter of offer; currently the available period is within 6 months for completed properties and up to 5 years for properties under-construction.

Repayment Terms of the Loan

Repayments are required monthly and consists of principal and interest; based on the actual loan amount disbursed. Interest is calculated on a monthly rest basis in arrears and computed on a 365-day year. Monthly repayments shall be due on the first day of each calendar month.

Early Repayment and Cancellation Charges

Where the loan comes with a commitment period (such as fixed rate loans whereby the commitment period will generally coincide with the period of fixed rates), a prepayment penalty shall be payable should partial of full repayment take place during the commitment period.

Further, where the loan is accepted but subsequently aborted, cancelled, recalled or undrawn after the available period, a cancellation fee shall be payable.

Security in Respect of the Loans

Each loan is secured by a first legal all monies mortgage.

Insurance Policies relating to the Loans

The terms of the mortgage requires that the Borrower/Mortgagor effect a comprehensive fire insurance policy or such other insurance policies in respect of such other risks and for such amounts as specified in the Letter of Offer or as the Bank may in its absolute discretion require from time to time. The insurance policies shall be effected from the date of first disbursement of the Facilities and for so long as the Facilities are outstanding.

All premiums (including renewals) for such insurance policy shall be borne by the Borrower/Mortgagor and the Bank is entitled to debit such premium amounts (including renewals) from the account maintained by the borrower for loan servicing.

Origination of the Loans

Loans are primarily originated through mortgage intermediaries and direct engagement with Borrowers. In both scenarios, the Seller conducts thorough evaluations of loan applications in accordance with all relevant MAS notices and bank's lending guidelines; to determine the suitability of offering a Loan.

Online loan applications, which leverages on Singpass and Myinfo, forms the bulk of all loan applications. Singpass and Myinfo are two key digital initiatives provided by the Singapore government. MyInfo is a service that allows individuals to manage and share their personal information conveniently with government and private-sector organizations. It is subject to regulatory and security standards set by the Singapore government, ensuring that the platform meets the necessary requirements for data protection and user privacy. SingPass serves as the single authentication gateway for loan applicants to access Myinfo and authorize the sharing of their personal information with the Seller.

The Seller is positioned as a provider of a comprehensive product suite and offers a range of financing solutions for local and overseas properties that cater to the diverse needs of its target segments.

The Seller is constantly enhancing its online presence through a user-friendly website and optimisation of mobile application that offers easy access to mortgage information and the application process.

Approval and Underwriting

The Seller employs an automated rule-based loan origination system to streamline the processing of all loan applications for efficient approval. Additionally, the Seller's credit risk managers manually review applications that deviate from the standard criteria or product specification.

The Seller's product specification approach for underwriting enables an increasing proportion of all business to be under-written under product specifications which requires a lower level of analysis and information requirements for proposals considered as compared to discretionary lending underwriting standards.

Applications requiring manual review are evaluated by credit risk managers possessing delegated approval authority, which includes the discretion to approve deviations from the Seller's standard acceptance criteria.

The Seller consistently assesses its loan origination practices to ensure ongoing relevance and cost-effectiveness in a fiercely competitive market. Consequently, there may be periodic adjustments to the origination process. Nonetheless, the Seller will maintain sole control over approval and underwriting policies, as well as the lending criteria.

It is essential to note that the Seller's approval, underwriting, and processing of loans operate independently from the process through which the Seller's loans are originated.

Lending Criteria

Each loan has been, or will be, originated based on the Seller's Lending Criteria in effect at the time of the loan offer. As of the date of this Offering Circular, the Lending Criteria remain consistent with, or substantially similar to, the criteria detailed in this section. Nevertheless, the Seller maintains the discretion to periodically amend its Lending Criteria in alignment with the standards expected of a Reasonable, Prudent Mortgage Lender. Consequently, the criteria applicable to future loans may differ from those as of the date of this Offering Circular.

The loan applicant shall provide information as required by the Seller to process the loan application including but not limited to the applicants' income, employment information, financial commitments, details of property to be mortgaged, amongst other personal information. In addition, the Seller undertakes searches against its own internal database, the Refinitiv World-Check (a comprehensive database that provides information and intelligence on heightened risk individuals and entities globally), litigation searches and a credit bureau inquiry (providing information regarding the payment and delinquency history) provided by the Credit Bureau (Singapore) Pte Ltd as of the date of this Offering Circular; and performed on each applicant.

Some considerations in assessing a loan application include:

(a) Income

When assessing an applicant's income, the Seller considers income that is fixed as well as income which may be variable. Fixed income is defined as employment income, salary or allowances of a consistent nature of which the amount does not vary from month to month. Variable income is defined as income of a non-fixed nature (varies from month-to-month which is pegged to performance targets, indicators like sales, business profitability, etc). Examples of variable income include, but are not limited to, commission, bonus, allowance, trade income, etc. Such income that is deemed variable is subject to a haircut of 30%.

In accordance with MAS Notice 645, the Seller may also consider assets deemed to be eligible to be recognised as part of an applicant's gross monthly income. Eligible Financial Assets include cash, structured deposits, shares, stocks, debentures, unit trusts, business trusts, gold, foreign currency notes and coins. Relevant haircuts as prescribed in the MAS Notice 645 shall apply.

Acceptable income documents submitted to the bank include the Notice of Assessment (“**NOA**”) issued by the Inland Revenue Authority of Singapore (“**IRAS**”), CPF statements issued by the CPF Board, payslips, letters from the employer, bank statements, and any other documents considered suitable.

(b) **Age and Loan Tenure**

Applicants shall be at least 21 years old at the time of loan inception and no more than 75 years old at the time of loan maturity.

In accordance with MAS Notice 632, the maximum loan tenure for financing the purchase of a private residential property shall be capped at 35 years; and subject to regulatory requirements, may be extended.

(c) **Total Debt Servicing Ratio**

To assess an applicant’s repayment ability, the Seller derives the Total Debt Servicing Ratio (“**TDSR**”). The detailed requirements of the TDSR is set out in MAS Notice 645. With effect from 16 December 2021, the TDSR threshold of 55% to all property loans; subject to regulatory requirements, may be extended.

(d) **Loan to Value**

LTV considerations shall be in compliance with MAS Notice 632. See “*The Loans and The Portfolio - Key Features of the Loan*” for details.

(e) **Property Types and Outstanding Leases**

Properties acceptable as collateral include private residential properties located in Singapore such as landed houses (for example, bungalows, semi-detached houses, terrace houses, etc.), condominiums or apartments, and both leasehold and freehold properties are considered. For leasehold properties, the unexpired lease at the time of loan maturity shall be no less than 30 years.

(f) **Valuation**

For completed properties, the Seller obtains two indicative valuations at the point of loan application, where the lower of these valuations will be used in the loan consideration. All valuations (whether indicative or full) will be provided by a valuer that is on the Seller’s panel of approved valuers. The Seller requires a full valuation with site inspection prior to loan disbursement. In the event the full valuation reveals a lower value as compared to the indicative value (obtained during loan application), the loan amount will be reviewed and reduced accordingly (where applicable).

For properties that are under-construction and purchased directly from the primary market, the Seller accepts the purchase price as valuation of the property, whereas if the property is purchased from the secondary market, a valuation certificate with external site visit is required prior to loan disbursement.

Enforcement

Monthly repayments shall be made by the Borrower/ Mortgagor as notified and determined by the Seller and shall consist of principal and interest, unless otherwise stated. Failure to fully satisfy the monthly repayments by the specified due date may result in collection/recovery action being taken on the Loan.

The Seller’s collection teams will follow up on accounts deemed to be 1 instalment (1 day to 29 days past due) in arrears and 2 instalments (30 days to 59 days past due) in arrears.

The Seller’s recovery team manages accounts deemed to be 3 instalments (60 days past due and onwards).

The Seller's actions concerning overdue accounts depend on the duration of the loan delinquency. At the initial stage, if a Borrower/ Mortgagor fails to make a payment on the due date, they will receive reminders from the Seller. If the arrears persist, the Seller will make attempts to contact the respective Borrower(s) via telephone and letter to understand their circumstances and negotiate an arrangement to restore the account to order, if feasible. In cases where a satisfactory arrangement cannot be established or upheld, the Seller may enforce repossession proceedings on its security.

Seller's Historical Loan Performance

The table below provides an overview of the Seller's residential property mortgage portfolio, specifically highlighting loans with arrears exceeding 90 days as of the specified dates. It is essential to ensure that loans incorporated into the Portfolio adhere to the Eligibility Criteria outlined in the Mortgage Sale Agreement on the Relevant Closing Date. This includes a requirement that the respective loan should not be in arrears for a duration exceeding 30 days.

	End		
	2021	2022	2023
Overall Portfolio (SGD million)	13,466	13,351	12,874
Impaired Loans (SGD millions)	32	13	9
Impairment as % of Portfolio	0.24	0.10	0.07

CPF Loans and Non-CPF Loans

The Central Provident Fund ("CPF") is a mandatory social security savings plan in Singapore. It is designed to help Singaporeans save for their retirement, healthcare, and housing needs and requires both employers and employees to contribute a portion of their monthly salary to the fund.

CPF savings can be used to finance the purchase of a home, repay housing loans, and cover related expenses such as stamp duties and legal fees.

"**CPF Loans**" refers to all loans extended by the Seller to a Borrower or a Mortgagor (as the case may be), secured by the same Mortgage over a Property, in respect of which:-

- (a)
 - (i) prior to the Cut-off Date in respect of such loans, the CPF Withdrawal Approval has been obtained; or
 - (ii) prior to the Cut-off Date in respect of such loans, the relevant Mortgagor has indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; and
- (b) the CPF Board's consent to the transfer or assignment of the Mortgage over such Property securing such loans is required (and such CPF Board's consent is not obtained prior to the Cut-off Date in respect of such loans) in order for the CBG and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property.

These loans, sold periodically by the Seller and acquired by the Covered Bond Guarantor, are held in trust by the Assets Trustee according to the terms outlined in the Declaration of Trust for the benefit of the CBG Beneficiary. They comprise the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to such loans under the relevant Mortgage Conditions. These obligations arise from the Borrower's/ Mortgagor's commitment, depending on the case, secured by the Mortgage over the respective Property. This includes amounts outstanding at any given time. The definition extends to encompass the Borrower's/ Mortgagor's responsibilities related to these

loans. However, loans that have been repurchased by the Seller or otherwise divested by the Covered Bond Guarantor or no longer under the beneficial ownership of the CBG Beneficiary are excluded. This exclusion incorporates loans for which the CBG Beneficiary has completely assigned its beneficial interest in accordance with the provisions outlined in the Declaration of Trust. To clarify, none of the loans mentioned should be interpreted or considered as a Top-up Loan.

“Non-CPF Loan” refers to all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in each case, in respect of which:

- (a) prior to the Cut-off Date in respect of such loans, there is no CPF Withdrawal Approval and the relevant Mortgagor has not indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; or
- (b)
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans, or where the relevant Mortgagor has indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; and
 - (ii) the CPF Board’s consent to the transfer or assignment of the Mortgage over such Property securing such loans is not required (as at the Cut-off Date in respect of such loans) in order for the CBG and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property; or
- (c)
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans, or where the relevant Mortgagor has indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; and
 - (ii) the CPF Board’s consent to the transfer or assignment of the Mortgage over such Property securing such loans is required (and such CPF Board’s consent is obtained prior to the Cut-off Date in respect of such loans) in order for the CBG and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property.

SUMMARY OF THE PRINCIPAL DOCUMENTS

Introduction

The principal Transaction Documents described in this section are the:

- (a) Trust Deed;
- (b) Intercompany Loan Agreement;
- (c) Mortgage Sale Agreement;
- (d) Declaration of Assets Trust;
- (e) Servicing Agreement;
- (f) Asset Monitor Agreement;
- (g) Establishment Deed;
- (h) Cash Management Agreement;
- (i) Subordinated Loan Agreement;
- (j) Ancillary Intercompany Loan Agreement;
- (k) Interest Rate Swap Agreement(s) (if any);
- (l) Covered Bond Swap Agreement;
- (m) Bank Account Agreement;
- (n) Corporate Services Agreement; and
- (o) Deeds of Charge.

TRUST DEED

The Trust Deed, made among the Issuer, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee on the Programme Date, is the principal agreement governing the Covered Bonds. The Trust Deed contains provisions relating to, *inter alia*:

- (a) the constitution of the Covered Bonds and the terms and conditions of the Covered Bonds (as more fully set out under “Terms and Conditions of the Covered Bonds” above);
- (b) the covenants of the Issuer and the Covered Bond Guarantor;
- (c) the terms of the Covered Bond Guarantee (as described below);
- (d) the enforcement procedures relating to the Covered Bonds and the Covered Bond Guarantee; and
- (e) the appointment, powers and responsibilities of the Bond Trustee and the circumstances in which the Bond Trustee may resign, retire or be removed.

Covered Bond Guarantee

Under the terms of the Covered Bond Guarantee, if the Issuer defaults in the payment on the due date of any monies due and payable under or pursuant to the Trust Deed or the Covered Bonds or any Receipts or Coupons (subject to certain grace periods), if any other Issuer Event of Default occurs (other than by reason of non-payment) or if a CBG Event of Default occurs, the Covered Bond Guarantor has agreed (subject as described below) to pay or procure to be paid (following service of an Issuer Acceleration Notice and Notice to Pay or, if applicable, a CBG Acceleration Notice) unconditionally and irrevocably to or to the

order of the Bond Trustee (for the benefit of the Covered Bondholders), an amount equal to that portion of the Guaranteed Amounts which shall become Due for Payment but would otherwise be unpaid, as of any Original Due for Payment Date or, if applicable, Extended Due for Payment Date, by the Issuer. Under the Covered Bond Guarantee, the Guaranteed Amounts will become due and payable on any earlier date on which a CBG Acceleration Notice is served.

Following the occurrence of an Issuer Event of Default and after the Covered Bonds have been declared due and payable by the Bond Trustee as against the Issuer following service of an Issuer Acceleration Notice, the Bond Trustee will serve a Notice to Pay on the Covered Bond Guarantor. Payment by the Covered Bond Guarantor of the Guaranteed Amounts pursuant to the Covered Bond Guarantee will be made on the later of: (i) the day which is two Business Days following service of a Notice to Pay on the Covered Bond Guarantor; or (ii) the day on which the Guaranteed Amounts are otherwise Due for Payment.

All payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature, unless the withholding or deduction of such taxes, assessments or other governmental charges is required by law or regulation or administrative practice of or any authority therein or thereof having the power to tax. If any such withholding or deduction is required, the Covered Bond Guarantor will pay the Guaranteed Amounts net of such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any amount to the Bond Trustee or any holder of Covered Bonds, Receipts and/or Coupons in respect of the amount of such withholding or deduction. If any withholding or deduction arises under or in connection with FATCA, the Covered Bond Guarantor will not be required to pay any amount under the Covered Bond Guarantee on account of such withholding or deduction. Under the terms of the Covered Bond Guarantee, the Covered Bond Guarantor agrees that its obligations under the Covered Bond Guarantee shall be as principal debtor and not merely as surety or guarantor and shall be absolute and (following service of an Issuer Acceleration Notice and Notice to Pay or a CBG Acceleration Notice) unconditional, irrespective of, and unaffected by, any invalidity, irregularity or unenforceability of, or defect in, any provisions of the Trust Deed or any Transaction Document or the absence of any action to enforce the same or the waiver, modification or consent by the Bond Trustee or any of the Covered Bondholders, Receiptholders or Couponholders in respect of any provisions of the same or the obtaining of any judgment or decree against the Issuer or any action to enforce the same or any other circumstances which might otherwise constitute a legal or equitable discharge or defence of a guarantor.

Subject to the grace period specified in Condition 9(b), failure by the Covered Bond Guarantor to pay the Guaranteed Amounts when Due for Payment will result in a CBG Event of Default.

The Trust Deed provides that the Excess Proceeds shall be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and shall be held by the Covered Bond Guarantor in the Transaction Account and the Excess Proceeds shall thereafter form part of the Security and shall be used by the Covered Bond Guarantor in the same manner as all other monies from time to time standing to the credit of the Transaction Account. Any Excess Proceeds received by the Bond Trustee shall discharge *pro tanto* the obligations of the Issuer in respect of the Covered Bonds, Receipts and Coupons. However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and Notice to Pay or, if earlier, service of a CBG Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds shall not reduce or discharge any such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

The Trust Deed is governed by English law, save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law.

INTERCOMPANY LOAN AGREEMENT

General

Under the terms of the Intercompany Loan Agreement, the Issuer as intercompany loan provider agrees to make available to the Covered Bond Guarantor and the CBG Beneficiary, on a secured basis, an intercompany loan facility in an aggregate amount equal to the Intercompany Loan Facility Amount, subject to increases and decreases as described below. The initial Advance will be an amount sufficient to acquire the Non-CPF Loans and their Related Security in the Initial Portfolio and an interest in the Trust Assets comprising CPF Loans and their Related Security in the Initial Portfolio. The Intercompany Loan comprises a guarantee loan portion (the “**Guarantee Loan**”) and a demand loan portion (the “**Demand Loan**”) and is denominated in Singapore dollars. The interest rate on each Advance under the Intercompany Loan is such rate of interest per annum to be determined by the Intercompany Loan Provider from time to time. The aggregate amount of interest payable under the Intercompany Loan in respect of any interest period will not exceed: (a) the aggregate of (i) the sum of all Revenue Receipts received by the Covered Bond Guarantor and the CBG Beneficiary and/or the amount payable by the Interest Rate Swap Provider (if any) to the Covered Bond Guarantor and the CBG Beneficiary (after any netting or set-off) under the Interest Rate Swap Agreement (if any) (without any double counting), (ii) all Revenue Receipts received by the Covered Bond Guarantor and the CBG Beneficiary in respect of Defaulted Loans and Loans in respect of which there have been missed payments and (iii) the interest received on the CBG Accounts, Authorised Investments and Substitution Assets, for the corresponding calendar month; less (b) an amount equal to the amount of the Covered Bond Guarantor expenses without double counting any amount payable by the Covered Bond Guarantor and the CBG Beneficiary to the Interest Rate Swap Provider (if any) under the Interest Rate Swap Agreement (if any), other than: (i) interest payable under the Intercompany Loan; and (ii) any interest amounts due and payable in respect of Subordinated Advances to the Intercompany Loan Provider, pursuant to the terms of the Subordinated Loan Agreement, for the corresponding calendar month.

Calculation of the Demand Loan and Guarantee Loan

The Guarantee Loan, at any relevant time, is in an amount equal to (A) (a) the SGD Equivalent of the outstanding nominal amount of the Covered Bonds at that time, plus (b) an amount equal to the aggregate principal amount outstanding (or, in the case of assets in the form of Loans (other than Converted Loans), the True Balance) of additional assets in excess of (a) above, as required to satisfy (and determined in accordance with) the Asset Coverage Test, minus (B) the outstanding principal amount of the Subordinated Loan (excluding, for the avoidance of doubt, interest and other non-principal amounts thereunder). The Guarantee Loan will be repaid in accordance with the applicable Priority of Payments and at all times repayment of the Demand Loan is provided for in priority to repayment of the Guarantee Loan, as described below. Following service of a Notice to Pay or CBG Acceleration Notice, repayment of the Guarantee Loan is subordinated in the applicable Priority of Payments to payments in respect of the Covered Bond Guarantee in accordance with such Priority of Payments.

The Demand Loan at any relevant time will be equal to the difference between the outstanding principal amount of the Intercompany Loan and the principal amount of the Guarantee Loan at that time. Except as described below, the respective balances of the Guarantee Loan and the Demand Loan will fluctuate according to the requirements of the Asset Coverage Test (see “*Establishment Deed — Asset Coverage Test*”) and with the issuances and redemptions of Covered Bonds.

If a Notice to Pay or a CBG Acceleration Notice is served on the Covered Bond Guarantor or a Demand Loan Repayment Event occurs, then the amount of the Demand Loan and the Guarantee Loan will be

fixed as described in “*Summary of the Principal Documents — Intercompany Loan Agreement — Repayment of the Demand Loan*”.

Purpose

The Covered Bond Guarantor or, as the case may be, the CBG Beneficiary will use the initial Advance to acquire (i) the Non-CPF Loans and their Related Security in the Initial Portfolio from the Seller in accordance with the terms of the Mortgage Sale Agreement and (ii) an interest in the Trust Assets comprising CPF Loans and their Related Security in the Initial Portfolio contributed by the Seller in accordance with the terms of the Declaration of Assets Trust, and will use additional Advances:

- (a) to purchase New Loans which are Non-CPF Loans and their Related Security from the Seller, from time to time in accordance with the terms of the Mortgage Sale Agreement; and/or
- (b) towards Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust; and/or
- (c) to invest in Authorised Investments and/or Substitution Assets, in each case in accordance with the Establishment Deed; and/or
- (d) subject to written confirmation from the Cash Manager that the Asset Coverage Test is met on the relevant drawdown date (both before and immediately following the making of the relevant Advance), to repay Subordinated Advances, if any, under the Subordinated Loan Agreement; and/or
- (e) to make a deposit of the proceeds in the Transaction Account (including, without limitation, to fund the Reserve Fund and/or the Pre-Maturity Liquidity Ledger, in each case in accordance with the Establishment Deed).

At any time prior to an Issuer Event of Default, a CBG Event of Default or a Demand Loan Repayment Event, the Covered Bond Guarantor may re-borrow any amount repaid by the Covered Bond Guarantor under the Intercompany Loan for a permitted purpose.

Deemed advances (“**Deemed Advances**”) will also arise under the Intercompany Loan if, as at any Calculation Date:

- (a) the True Balance of a Loan in the Portfolio increases as a result of Capitalised Interest accruing on that Loan or any other increase in the True Balance of that Loan; or
- (b) there is a Deemed Subordinated Advance outstanding,

and, in each case, the Deemed Advance Preconditions are satisfied on the relevant Calculation Date.

The “**Deemed Advance Preconditions**” are:

- (a) the aggregate outstanding principal amount of Advances after giving effect to such Deemed Advance does not exceed the Intercompany Loan Facility Amount; and
- (b) no Issuer Event of Default, CBG Event of Default or Demand Loan Repayment Event has occurred and is outstanding on the relevant Calculation Date or CBG Payment Date (as applicable) or would result from the Deemed Advance.

If any of the Deemed Advance Preconditions have not been satisfied on the relevant Calculation Date or CBG Payment Date (as applicable), then the amount that would otherwise have constituted a Deemed Advance will, instead, constitute a Deemed Subordinated Advance under the Subordinated Loan Agreement. If, however, as of a subsequent Calculation Date, any Deemed Subordinated Advance(s) satisfies the Deemed Advance Preconditions as of that Calculation Date, such Deemed Subordinated Advance(s) will be deemed to be a Deemed Advance(s) under the Intercompany Loan.

Unless otherwise agreed by the Intercompany Loan Provider, no Advances will be made to the Covered Bond Guarantor following the occurrence of an Issuer Event of Default, a CBG Event of Default or a Demand Loan Repayment Event.

The Servicer and the Cash Manager shall maintain accurate and up-to-date registers (collectively, the “**Asset Registers**”) in respect of:

- (a) assets in the cover pool (as defined in MAS Notice 648) of the Covered Bond Guarantor and the CBG Beneficiary (including, for the avoidance of doubt, its interest in the Assets Trust); and
- (b) other assets of the Covered Bond Guarantor and the CBG Beneficiary securing the liabilities of the Covered Bond Guarantor and the CBG Beneficiary to the Secured Creditors,

and such other registers as the Intercompany Loan Provider and (after a CBG Acceleration Notice has been issued and to the extent permitted by law) the Security Trustee may request from time to time.

The Servicer and the Cash Manager will notionally allocate the assets of the Covered Bond Guarantor and the CBG Beneficiary to the Asset Registers, at such times as the Servicer and the Cash Manager determine is necessary or as may be required for the purposes of any determination, calculation or compliance with any obligation in relation to the repayment of the Intercompany Loan, on the following basis:

- (a) Loans and their Related Security will be allocated on a Random Basis; and
- (b) all other assets of the Covered Bond Guarantor and the CBG Beneficiary (including Authorised Investments and Substitution Assets) will be allocated on such basis as the Servicer and the Cash Manager shall determine.

The Servicer and the Cash Manager have agreed that, upon request from the Intercompany Loan Provider and at the cost of the Intercompany Loan Provider, it will provide the Intercompany Loan Provider with copies of the Asset Registers and such other information in respect of the Asset Registers as the Intercompany Loan Provider may require.

Repayment of the Demand Loan

The repayment of principal in respect of the Demand Loan may (at the discretion of the Intercompany Loan Provider) (and, following the service of a Notice to Pay or a CBG Acceleration Notice, shall only) be satisfied by payment in kind to the Intercompany Loan Provider of Loans and their Related Security, Authorised Investments and/or Substitution Assets (other than cash) held by the Covered Bond Guarantor (collectively, the “**Demand Loan Repayment Assets**”). Upon the Covered Bond Guarantor being required to repay all or part of the Demand Loan, the Servicer and the Cash Manager will deliver a notice (the “**Demand Loan Repayment Notice**”) to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the Security Trustee and the Intercompany Loan Provider which (if the Demand Loan is being repaid prior to a Notice to Pay or a CBG Acceleration Notice) will specify (at the discretion of the Intercompany Loan Provider) whether the Demand Loan is to be repaid in cash, the transfer of Authorised Investments or Substitution Assets or in kind, and if the Demand Loan is to be repaid in kind, will specify the Demand Loan Repayment Assets that will satisfy the repayment obligation. Where any amount of the Demand Loan is to be repaid in kind, such Loans and their Related Security which are to comprise the relevant Demand Loan Repayment Assets will be selected by the Servicer and the Cash Manager on a Random Basis, subject to the following:

- (a) no Loans and their Related Security shall form part of the Demand Loan Repayment Assets to the extent necessary to ensure that the Asset Coverage Test is satisfied and, if necessary to satisfy or cure a breach of the Asset Coverage Test, Loans and their Related Security forming the Demand Loan Repayment Assets shall be selected by the Servicer and the Cash Manager on a Random Basis and be so removed, such that the aggregate True Balance of such Loans as at the relevant

Demand Loan Repayment Date together with the aggregate principal amount of such Authorised Investments and/or Substitution Assets (other than cash) forming part of the Demand Loan Repayment Assets is as close as reasonably possible to, and in any event less than or equal to, the principal amount of the Demand Loan requested or required to be repaid under the Intercompany Loan Agreement; and

- (b) to the extent there are any Converted Loans in the Portfolio, the portion of the Demand Loan equal to the aggregate True Balance thereof may only be repaid in kind by way of such Converted Loans (and may not be repaid in cash).

On the CBG Payment Date immediately following the delivery of the Demand Loan Repayment Notice, or, in the case of service of a Notice to Pay or a CBG Acceleration Notice, the CBG Payment Date following the date on which the Asset Percentage was fixed (as described below) (the “**Demand Loan Repayment Date**”), the Demand Loan will be repaid and/or, as the case may be, in respect of any Loans and their Related Security comprising the relevant Demand Loan Repayment Assets:

- (i) (in the case of Non-CPF Loans and their Related Security) where the Seller and the Intercompany Loan Provider are the same entity and if the sale of such Non-CPF Loans and their Related Security has not been perfected:
 - (A) the Covered Bond Guarantor’s rights, estate, title, interests, benefits and remedies in such Non-CPF Loans and their Related Security will be reassigned, released and surrendered and will vest completely in favour of the Intercompany Loan Provider, free from the Security Interest created by the Singapore Deed of Charge; and
 - (B) the Covered Bond Guarantor shall cease to have any interest in, or right to, such Non-CPF Loans and their Related Security;
- (ii) (in the case of Non-CPF Loans and their Related Security) if sale of such Non-CPF Loans and their Related Security has been perfected, the Covered Bond Guarantor shall transfer its rights, estate, title, interests, benefits and remedies in such Non-CPF Loans and their Related Security to the Intercompany Loan Provider;
- (iii) (in the case of CPF Loans and their Related Security which are subject to an Assets Trust) where the Assets Trustee and the Intercompany Loan Provider are the same entity, and the CBG Beneficiary has not surrendered its beneficial interest in such CPF Loans and their Related Security:
 - (A) the CBG Beneficiary’s rights, estate, title, interests, benefits and remedies in such CPF Loans and their Related Security (which are subject to an Assets Trust) shall be released and surrendered such that they vest completely in favour of the Intercompany Loan Provider, free from the Security Interest created by the Singapore Deed of Charge; and
 - (B) the CBG Beneficiary shall cease to have any interest in, or right to, such CPF Loans and their Related Security, and such CPF Loans and their Related Security shall cease to be Trust Assets; and/or
- (iv) (in the case of CPF Loans and their Related Security which are subject to an Assets Trust) if legal title to such CPF Loans and their Related Security has been transferred to a Replacement Assets Trustee (such transfer to be subject to any one of the Requisite CPF Loan Legal Title Transfer Approvals being obtained), the CBG Beneficiary shall transfer its rights, estate, title, interests, benefits and remedies in, and the Replacement Assets Trustee shall transfer (at the direction of the CBG Beneficiary) the legal title to, such CPF Loans and their Related Security to the Intercompany Loan Provider (provided all relevant consents required thereto are obtained).

On or before the second CBG Payment Date following the relevant Demand Loan Repayment Date (where applicable), the Intercompany Loan Provider shall pay to the Covered Bond Guarantor and the CBG

Beneficiary an amount equal to the Arrears of Interest and Accrued Interest on the relevant Loans and their Related Security comprising the relevant Demand Loan Repayment Assets in respect of which the Covered Bond Guarantor's (or, as the case may be, the CBG Beneficiary's) rights, estate, title, interests, benefits and remedies are reassigned, released and surrendered, or transferred (as applicable), on that Demand Loan Repayment Date, as at (but excluding) that Demand Loan Repayment Date.

All payments in respect of principal in respect of any Demand Loan Repayment Assets (whether as all or part of a payment on a Loan) which are received immediately following service of a Demand Loan Repayment Notice will belong to the Intercompany Loan Provider and are not Principal Receipts and the Cash Manager on behalf of the Covered Bond Guarantor and the CBG Beneficiary agrees to remit such amounts to the Intercompany Loan Provider on or before the second CBG Payment Date following such receipt.

Prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice, the Intercompany Loan Provider may, by notice in writing to the Covered Bond Guarantor and the CBG Beneficiary, demand repayment of all or any part of the outstanding principal amount of the Demand Loan (or any part thereof) either in cash or Authorised Investments or Substitution Assets or in kind with Demand Loan Repayment Assets (and, in the case of Demand Loan Repayment Assets, outside the Priorities of Payments) on each CBG Payment Date immediately following the last day of the Calculation Period in which the demand is made.

Prior to service of a Notice to Pay or a CBG Acceleration Notice, no principal amount of the Demand Loan will be repaid in cash or in kind as required above unless the Cash Manager has determined that the Asset Coverage Test will continue to be met after giving effect to the repayment in question.

Following the service of a Notice to Pay or a CBG Acceleration Notice, the Asset Percentage shall be fixed at a percentage number equal to the number calculated and applied for the purposes of determining the Adjusted Aggregate Loan Amount on the Test Date immediately preceding the service of a Notice to Pay or a CBG Acceleration Notice and the amount of the Demand Loan calculated on such basis will be repayable by the Covered Bond Guarantor in kind with Demand Loan Repayment Assets (and outside the Priorities of Payments).

As soon as possible following service of a Notice to Pay or a CBG Acceleration Notice on the Covered Bond Guarantor, the Servicer and the Cash Manager will select the initial Demand Loan Repayment Assets ("**Initial Demand Loan Repayment Assets**") to be reassigned, released and surrendered in favour of or transferred (as applicable) to the Intercompany Loan Provider with an aggregate True Balance ("**Initial Demand Loan Repayment Asset Amount**") as close as reasonably possible to the principal amount of the Demand Loan (as most recently calculated by the Cash Manager and notified to the Servicer). The Cash Manager will specify such Demand Loan Repayment Assets in an initial Demand Loan Repayment Notice (the "**Initial Demand Loan Repayment Notice**") delivered to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the Intercompany Loan Provider and the Security Trustee.

On the first CBG Payment Date following the Calculation Date after the fixing of the Asset Percentage, the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies in the Demand Loan Repayment Assets specified in the Initial Demand Loan Repayment Notice will be transferred to the Intercompany Loan Provider or, (in respect of Non-CPF Loans and their Related Security) where the Seller and the Intercompany Loan Provider are the same entity and the sale of the relevant Non-CPF Loans and their Related Security has not been perfected, the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies to such Non-CPF Loans and their Related Security will be reassigned, released and surrendered such that the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies to such Non-CPF Loans and their Related Security vest completely in favour of the Intercompany Loan Provider or (in respect of CPF Loans and their Related Security) where the Assets Trustee and the

Intercompany Loan Provider are the same entity and the CBG Beneficiary has not surrendered its beneficial interest in such CPF Loans and their Related Security to the Intercompany Loan Provider, the CBG Beneficiary will direct the Assets Trustee to accept the surrender of its beneficial interest in the relevant CPF Loans and their Related Security (which are subject to an Assets Trust) such that they vest completely in favour of the Assets Trustee in its capacity as the Intercompany Loan Provider, in repayment of the Demand Loan.

The Demand Loan Repayment Assets will not form part of the assets that are applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments following delivery of a CBG Acceleration Notice.

In order to provide sufficient time to the Cash Manager to select and transfer or reassign, release and surrender the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies in the relevant Demand Loan Repayment Assets to the Intercompany Loan Provider in accordance with the terms of the Intercompany Loan Agreement, the terms of the Singapore Deed of Charge provide that the Security Trustee may only apply amounts in accordance with the Post-Enforcement Priority of Payments on and after the first CBG Payment Date following the earlier of:

- (a) 30 days following the service of a CBG Acceleration Notice on the Covered Bond Guarantor; and
- (b) the date the Asset Percentage is fixed as described above following the service of a CBG Acceleration Notice.

If:

- (i) an Interest Rate Swap Agreement has been entered into and the Intercompany Loan Provider (in its capacity as the Interest Rate Swap Provider) is required to novate the Interest Rate Swap Agreement to a third party; or
- (ii) the Intercompany Loan Agreement is terminated,

(each of paragraphs (i) and (ii) above, a **"Demand Loan Repayment Event"**), the Asset Percentage shall be fixed at a percentage number equal to the number calculated and applied for the purposes of determining the Adjusted Aggregate Loan Amount on the Test Date immediately preceding the occurrence of such Demand Loan Repayment Event and the amount of the Demand Loan calculated on the basis of such Asset Percentage will be repayable in kind with Demand Loan Repayment Assets selected by the Servicer and the Cash Manager. The Demand Loan will be repayable by the Covered Bond Guarantor on the first CBG Payment Date following the first Calculation Date after the fixing of the Asset Percentage.

If a Notice to Pay or a CBG Acceleration Notice is served on the Covered Bond Guarantor or a Demand Loan Repayment Event occurs, then the amount of the Guarantee Loan and the Demand Loan will be fixed as at the date on which the Asset Percentage is fixed and will thereafter only be adjusted to reflect permitted repayments (which will be deducted first from the Demand Loan), further Advances or Deemed Advances (which will be added to the Guarantee Loan) and any reduction in the Set-off Amount as a result of the occurrence of any of the events set out in paragraph (c) of the definition of "Set-off Amount" (which will be deducted from the Guarantee Loan and added to, and constitute, the Demand Loan on the CBG Payment Date following written notification from the Cash Manager to the Covered Bond Guarantor, the CBG Beneficiary and the Security Trustee of the occurrence of any of the events set out in paragraph (c) of the definition of "Set-off Amount").

Other

The Issuer will not be relying on repayment of the Intercompany Loan in order for it to meet its repayment obligations under the Covered Bonds.

Any failure by the Covered Bond Guarantor to pay any amounts due on the Intercompany Loan will not affect the liability of the Issuer to pay the relevant amount due on the Covered Bonds.

The Intercompany Loan Agreement is governed by Singapore law.

MORTGAGE SALE AGREEMENT

General

Non-CPF Loans and their Related Security (and any related Top-up Loans) will be sold to the Covered Bond Guarantor from time to time pursuant to the terms of the Mortgage Sale Agreement entered into on 19 March 2024 (as amended, restated, supplemented or novated from time to time) among the Issuer (in its capacity as Seller and Assets Trustee), the Covered Bond Guarantor, the CBG Beneficiary, the All Monies Trustee and the Security Trustee.

Sale by the Seller of Loans and their Related Security

The Portfolio will consist of Non-CPF Loans and their Related Security sold from time to time by the Seller to the Covered Bond Guarantor in accordance with the terms of the Mortgage Sale Agreement and an interest in the Assets Trust held by the Assets Trustee in favour of the CBG Beneficiary, and which Trust Assets include CPF Loans and their Related Security (and any related Top-up Loans) in accordance with the terms of the Declaration of Assets Trust as described below (and in respect of such CPF Loans, please see the section “*Summary of the Principal Documents — Declaration of Assets Trust*”). The types of Loans forming part of the Portfolio will vary over time, *provided that*, at the time the relevant Loans are sold (or a trust is declared over, as applicable) to the Covered Bond Guarantor, the Eligibility Criteria (as described below) in respect of such Loans are met on the relevant Closing Date. Accordingly, the Portfolio may, at any time, include Loans with characteristics that were not being offered to Borrowers or Mortgagors (as the case may be) on previous Closing Dates.

Prior to the occurrence of an Issuer Event of Default or a CBG Event of Default, the Covered Bond Guarantor will acquire Loans and their Related Security (or an interest in the Assets Trust thereto) from the Seller in the three circumstances described below.

- (a) First, in relation to the issue of Covered Bonds from time to time in accordance with the Programme, the Issuer may make Advances under the Intercompany Loan Agreement to the Covered Bond Guarantor, the proceeds of which may be applied in whole or in part by the Covered Bond Guarantor to acquire Loans and their Related Security (or an interest in the Assets Trust thereto) from the Seller. In consideration of the sale of the Non-CPF Loans and their Related Security to the Covered Bond Guarantor or a declaration of trust in respect of the CPF Loans and their Related Security in favour of the CBG Beneficiary, the Seller will receive the relevant Purchase Price, which will be satisfied by a combination of:
 - (i) a cash payment (if any) (which shall be equal to the True Balance of the Loans as at the Cut-off Date) made by or on behalf of the Covered Bond Guarantor (in the case of Non-CPF Loans) or the CBG Beneficiary (in the case of CPF Loans) to the Seller from the proceeds of the relevant Advance and/or Subordinated Loan Advance or set-off against such Advance and/or Subordinated Advance and/or Available Principal Receipts in accordance with the relevant Priorities of Payments (unless an Asset Coverage Test Breach Notice has been served and remains outstanding); and/or
 - (ii) Deferred Consideration (in respect of Non-CPF Loans) and Deferred Contribution Consideration (in respect of CPF Loans).
- (b) Second, prior to service of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice on the Covered Bond Guarantor or following the revocation of an Asset Coverage Test Breach Notice, the Covered Bond Guarantor may use the Available Principal

Receipts to acquire New Loans (which are Non-CPF Loans) and their Related Security from the Seller or make an Additional Contribution to the Assets Trustee to acquire New Loans (which are CPF Loans) and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust on any Singapore Business Day (including a CBG Payment Date).

- (c) Third, the Covered Bond Guarantor and the Seller are required to ensure that the Portfolio is maintained at all times in compliance with the Asset Coverage Test as of each Calculation Date (as determined by the Cash Manager on or prior to the relevant Test Date). If as of any Calculation Date there is a breach of the Asset Coverage Test, the Covered Bond Guarantor shall at its sole discretion within three Singapore Business Days of receiving notice that the Adjusted Aggregate Loan Amount does not comply with the Asset Coverage Test, request the Seller to offer to sell to the Covered Bond Guarantor sufficient New Loans and their Related Security (and any related Top-up Loans) on or before the next Calculation Date so that the Adjusted Aggregate Loan Amount is in compliance with the Asset Coverage Test. If any New Loans are Non-CPF Loans, the Seller undertakes to use all reasonable endeavours to offer to sell to the Covered Bond Guarantor by complying with the procedure in the Mortgage Sale Agreement and the Covered Bond Guarantor undertakes to use all reasonable endeavours to acquire from the Seller sufficient New Loans (which are Non-CPF Loans) and their Related Security (and any related Top-up Loans) in accordance with the provisions of the Mortgage Sale Agreement together with any New Loans (which are CPF Loans) and their Related Security (and any related Top-up Loans) offered to be sold by the Seller to the Covered Bond Guarantor under the Declaration of Assets Trust, so that the Adjusted Aggregate Loan Amount is maintained at all times in compliance with the Asset Coverage Test as determined by the Cash Manager as of each Calculation Date, *provided that* the Seller shall not be obliged to sell to the Covered Bond Guarantor New Loans and their Related Security (and any related Top-up Loans) if in the reasonable opinion of the Seller the sale to the Covered Bond Guarantor of such New Loans and their Related Security (and any related Top-up Loans) would adversely affect the business or financial condition of the Seller. In the case of a sale of CPF Loans and their Related Security (and any related Top-up Loans) by the Seller to the Covered Bond Guarantor pursuant to the Declaration of Assets Trust, the relevant CPF Loans and their Related Security (and any related Top-up Loans) shall become Trust Assets (and be subject to the Assets Trust made in favour of the CBG Beneficiary) and the CBG Beneficiary shall make an Additional Contribution (which shall be funded in accordance with the terms of the Declaration of Assets Trust) to the Assets Trustee which shall be applied by the Assets Trustee towards payment to the Seller of the purchase consideration for the acquisition of the relevant CPF Loans and their Related Security (and any related Top-up Loans).

If Selected Loans are sold by or on behalf of the Covered Bond Guarantor (see “*Establishment Deed — Sale of Selected Loans following service of a Notice to Pay*”), the obligations of the Seller insofar as they relate to those Selected Loans will cease to apply.

The Seller will also be required to (in the case of Non-CPF Loans) repurchase Non-CPF Loans and their Related Security (and any related Top-up Loans) or (in the case CPF Loans) accept surrender of the Trust Assets relating to such CPF Loans and their Related Security (and any related Top-up Loans) sold to the Covered Bond Guarantor or to which a trust had been declared in favour of the CBG Beneficiary in the circumstances described below under “*Repurchase of Loans*”.

Conditions to Sale of Non-CPF Loans and their Related Security or declaration of trust in respect of CPF Loans and their Related Security and Eligibility Criteria

The sale of Non-CPF Loans and their Related Security to the Covered Bond Guarantor or a declaration of trust in respect of CPF Loans and their Related Security in favour of the CBG Beneficiary will be subject to various conditions and eligibility requirements (the “**Eligibility Criteria**”) being satisfied on the relevant Closing Date. The conditions include:

- (a) no Issuer Event of Default or CBG Event of Default or Insolvency Event in respect of the Seller shall have occurred which is continuing as at the relevant Closing Date;
- (b) such sale or declaration of asset is not contrary to any direction given by the MAS;
- (c) the Covered Bond Guarantor, acting on the advice of the Cash Manager, is not aware, and could not reasonably be expected to be aware, that the purchase of the New Portfolio on the relevant Closing Date would adversely affect the then current ratings of the Covered Bonds;
- (d) notice of the sale and purchase or inclusion in the Assets Trust in respect of the New Portfolio be given to the Rating Agencies on or prior to the relevant Closing Date in each case, as certified by an authorised signatory of the Issuer;
- (e) each New Loan is in compliance with the Eligibility Criteria; and
- (f) (i) the Issuer having furnished or caused to be furnished to the Bond Trustee and the Security Trustee a solvency certificate of an authorised signatory of the Issuer in the agreed form; (ii) the Covered Bond Guarantor having furnished or caused to be furnished to the Bond Trustee and the Security Trustee a solvency certificate of a duly authorised signatory of the Covered Bond Guarantor in the agreed form and (iii) the Seller having furnished or caused to be furnished to the Bond Trustee and the Security Trustee a solvency certificate of an authorised signatory of the Seller in the agreed form.

The Eligibility Criteria require that each Loan:

- (a) is originated and booked after 1 January 2017;
- (b) is denominated and repayable in SGD;
- (c) is a mortgage loan which has been fully drawn (and where the Borrower or the Mortgagor (as the case may be) has no right to re-borrow any amount prepaid or repaid);
- (d) is secured by a mortgage over a residential property situated in Singapore and (i) title of the Mortgagor to such residential property must have been separately issued and (ii) (if applicable) the leasehold interest of the Mortgagor in such residential property must not be for a term of less than 30 years after the latest maturity date of the relevant Loans secured by that Mortgage;
- (e) is repayable by the relevant Borrower and/or the relevant Mortgagor within 40 years of the relevant Closing Date;
- (f) is a loan under which the Borrower or the Mortgagor (as the case may be) has made at least one monthly payment in respect thereof;
- (g) is not in arrears for more than one month as at the relevant Closing Date;
- (h) is not a construction loan which has not been fully drawn down, renovation loan, overdraft or such other revolving facility;
- (i) is secured by a mortgage that constitutes a first ranking mortgage, save for (i) any charge registered or notified by the CPF Board in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board, (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax, (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions, (iv) any statutory charge in favour of the tax authority in respect of unpaid Estate Duty (where applicable) and (v) any other charges arising under any written law; and
- (j) is not a Staff Mortgage Loan.

On the relevant Closing Date, the Representations and Warranties (described below in “*Representations and Warranties*”) will be given by the Seller in respect of the Loans and their Related Security sold by the Seller to the Covered Bond Guarantor.

Transfer of title to the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser

Non-CPF Loans and their Related Security (and any related Top-up Loans) will be sold by the Seller to the Covered Bond Guarantor pursuant to the terms of the Mortgage Sale Agreement. Such Non-CPF Loans and their Related Security (and any related Top-up Loans) will be sold by way of equitable assignment. As a result, legal title to all of the Non-CPF Loans and their Related Security (and any related Top-up Loans) will remain with the Seller until a notice of assignment is given by the Seller to the relevant Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty and the Non-CPF Loans and their Related Security (and any related Top-up Loans) are transferred by the Seller to the Covered Bond Guarantor (see below in relation to Converted Loans) and, where applicable, registered with the appropriate authority(ies). Legal assignment of the Non-CPF Loans and their Related Security (and any related Top-up Loans) (including, where appropriate, their registration or recording in the relevant property register) to the Covered Bond Guarantor will be deferred and will only take place in the limited circumstances described below.

The Seller shall, within 30 days after the earliest to occur of the following, submit or deliver all relevant documents, notifications, forms, instruments and applications to the relevant parties as may be necessary to effect the transfer of the legal title of the Non-CPF Loans and their Related Security (and any related Top-up Loans) (or, where specified, the Selected Loans) to (i) the Covered Bond Guarantor, or (ii) (where applicable) the Relevant Purchaser:

- (a) the occurrence of an Issuer Event of Default and service on the Issuer of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay (or, if earlier, following the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice), except that submission or delivery in respect of Selected Loans described in a Selected Loans Offer Notice is not required if the Seller has notified the Covered Bond Guarantor that it will accept the offer set out in the Selected Loans Offer Notice within the prescribed time;
- (b) in respect of Selected Loans only, at the request of the Covered Bond Guarantor following the acceptance of any offer to sell the Selected Loans to any Purchaser who is not the Seller;
- (c) the Seller and/or the Covered Bond Guarantor being required: (i) by law; (ii) by an order of a court of competent jurisdiction; (iii) by a regulatory authority which has jurisdiction over the Seller; or (iv) by any organisation of which the Seller is a member, or whose members comprise, but are not necessarily limited to, mortgage lenders and with whose instructions it is customary for the Seller to comply, to transfer legal title to the Non-CPF Loans;
- (d) the occurrence of an Insolvency Event in respect of the Seller;
- (e) the termination or resignation of the Seller as Servicer under the Servicing Agreement unless:
 - (i) at the relevant date of termination or resignation, any substitute servicer is a member of the Maybank Group; or
 - (ii) the Security Trustee otherwise consents (such consent (A) not to be unreasonably withheld and (B) to be given if a Rating Agency Confirmation has been delivered by the Issuer to the Covered Bond Guarantor and the Security Trustee in respect of the termination or resignation of the Seller as Servicer);
- (f) the Seller requesting a transfer of legal title (i) to the Covered Bond Guarantor or (ii) (where applicable) the Relevant Purchaser, by giving notice in writing to the Covered Bond Guarantor and the Security Trustee; or

- (g) the Seller's long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's or BBB- by S&P,

such events set out in (a) to (g) above, the "**Perfection Events**".

Where transfer of legal title is to be effected in respect of Non-CPF Loans and their Related Security (see below in relation to Converted Loans), a notice of assignment will be given by the Seller to the relevant Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty and the Non-CPF Loans and their Related Security (and any related Top-up Loans) will be transferred by the Seller to the Covered Bond Guarantor and, where applicable, registered with the appropriate authority(ies).

In respect of the transfer of title to CPF Loans and their Related Security (and any related Top-up Loans), please see the section "*Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*".

Pending completion of the transfer, the right of the Covered Bond Guarantor to exercise the powers of the legal owner of the Mortgages will be secured by an irrevocable power of attorney granted by the Seller in favour of the Covered Bond Guarantor and the Security Trustee.

Except where any registration or recording may be pending at the Land Titles Registry, the Title Deeds and Loan Files relating to the Loans and their Related Security in the Portfolio (and any related Top-up Loans) will be held or controlled by or to the order of the Seller or the Servicer, as the case may be, or by solicitors acting for the Seller in connection with the creation of the Loans and their Related Security in the Portfolio (and any related Top-up Loans). The Seller or the Servicer, as the case may be, will undertake that all the Title Deeds and Loan Files relating to the Loans in the Portfolio which are at any time in their possession or under their control or held to their order will be held to the order of the Security Trustee or as the Security Trustee may otherwise reasonably direct.

Representations and Warranties

None of the Covered Bond Guarantor, the Assets Trustee, the Security Trustee or the Bond Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Loans and their Related Security (and any related Top-up Loans) to be sold to the Covered Bond Guarantor. Instead, each is relying entirely on the Representations and Warranties by the Seller contained in the Mortgage Sale Agreement. The parties to the Mortgage Sale Agreement may waive or amend the Representations and Warranties, only if they have the prior written consent of the Security Trustee (which consent shall be given, amongst other things, if a Rating Agency Confirmation has been received and the Cash Manager has certified that such waiver or amendment will not have a Material Adverse Effect). The Representations and Warranties include the following and are given on the relevant Closing Date in respect of the Loans and their Related Security to be sold to the Covered Bond Guarantor only on that date:

(a)

- (i) at the time the Seller entered into any Loan which was originated by it, it did so in good faith and for the purpose of carrying on its business and at the time it did so there were reasonable grounds for believing that the transaction would benefit the Seller, and such Loan was made substantially on the terms of the Standard Documentation without any material variation (subject only to exceptions as would be acceptable to a Reasonable, Prudent Mortgage Lender); and
- (ii) at the time the Seller acquired any Loan from Malayan Banking Berhad, Singapore Branch ("**MBBSG**"), it did so in good faith and for the purpose of carrying on its business and at the time it did so there were reasonable grounds for believing that the transaction would benefit the Seller, and such Loan had been made substantially on the terms of the Standard Documentation without any material variation (subject only to exceptions as would be acceptable to a Reasonable, Prudent Mortgage Lender);

- (b) there is no prohibition against assignment of any Loan or any mortgage, guarantee or other Related Security and each Loan, mortgage, guarantee and other Related Security is freely assignable;
- (c)
 - (i) each Loan and its Related Security which was originated by the Seller was originated in the Seller's ordinary course of business and, in all material respects, in accordance with the Seller's Lending Criteria in force at the time of its origination; and
 - (ii) each Loan and its Related Security which was acquired by the Seller from MBBSG was acquired in the Seller's ordinary course of business and, in all material respects, in accordance with the Seller's Lending Criteria in force at the time of its acquisition;
- (d) the Seller is under no obligation to make further amounts available under each Loan or its Related Security to any Borrower and/or any Mortgagor other than as required by applicable laws;
- (e)
 - (i) at the time the Seller entered into the Mortgage relating to each Loan which was originated by it, it complied in all material respects with MAS Notice 632 in effect at that point in time issued by the MAS to banks (as defined under the Banking Act) in respect of residential property loans from time to time; and
 - (ii) at the time the Seller acquired the Mortgage relating to each Loan which was acquired by it from MBBSG, it complied in all material respects with MAS Notice 632 in effect at that point in time issued by MAS to banks (as defined under the Banking Act) in respect of residential property loans from time to time;
- (f) each Loan is valid, binding and enforceable against the relevant Borrower(s), (if different) the relevant Mortgagor(s) and (if applicable) the relevant surety(ies) (except that enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws of general application relating to or affecting the rights of creditors and the court's discretion in relation to equitable remedies);
- (g) each Related Security secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower and/or Mortgagor in respect of the related Loan;
- (h)
 - (i) prior to making a Loan which was originated by the Seller, the Seller instructed or required to be instructed on its behalf solicitors to carry out all investigations and searches in relation to the relevant Property that would have been undertaken by the Seller acting in accordance with standards consistent with those of a Reasonable, Prudent Mortgage Lender lending to borrowers in Singapore; and
 - (ii) prior to making a Loan which was acquired by the Seller from MBBSG, MBBSG instructed or required to be instructed on its behalf solicitors to carry out all investigations and searches in relation to the relevant Property that would have been undertaken by MBBSG acting in accordance with standards consistent with those of a Reasonable, Prudent Mortgage Lender lending to borrowers in Singapore;
- (i)
 - (i) prior to disbursing a Loan which was originated by the Seller, an independent valuation may have been carried out or instructed by one of the then Seller's current panel valuers (or, as applicable, an automated valuation was carried out as permitted under the lending criteria) on the relevant Property, and the results of any such obtained valuation would have been acceptable to a Reasonable, Prudent Mortgage Lender; and

- (ii) prior to disbursing a Loan which was acquired by the Seller from MBBSG, an independent valuation may have been carried out or instructed by one of MBBSG's panel valuers (or, as applicable, an automated valuation was carried out as permitted under the lending criteria) on the relevant Property, and the results of any such obtained valuation would have been acceptable to a Reasonable, Prudent Mortgage Lender,

in each case, save for a Loan in respect of a building under construction purchased from licensed developers where the development is in respect of three or more units, in which case the policy of the Seller or, as the case may be, MBBSG at the relevant time does not require an independent valuation to be carried out;

- (j) the Mortgage Conditions in respect of each Loan and Related Security require that a policy of fire insurance be arranged by or on behalf of the Borrower and (if different) the Mortgagor for each Property and such policy has actually been arranged;
- (k) at the time when a Loan was approved to the best of the Seller's knowledge, the Seller or, as the case may be, MBBSG has not received written notice of the bankruptcy, proceedings for bankruptcy or similar insolvency process of the relevant Borrower, (if different) the relevant Mortgagor and/or the (if applicable) relevant surety(ies);
- (l) the Loans comply with the Eligibility Criteria;
- (m) no Loan constitutes a New Loan Type in respect of which no Rating Agency Confirmation has been received that such New Loan Type may be sold to the Covered Bond Guarantor;
- (n) each of the Borrowers, Mortgagors and (where applicable) guarantors of such Loan is an individual and was at least 21 years of age at the time for the origination of the Loan;
- (o) the Seller is the sole legal and beneficial owner of each Loan and its Related Security and no prior ranking security interest over any Loan or its Related Security exists other than the Seller's, save for (i) any charge registered or notified by the CPF Board in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board, (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax, (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions, (iv) any statutory charge in favour of the tax authority in respect of unpaid estate duty (where applicable) and (v) any other charges arising under any written law;
- (p) all approvals and consents necessary to permit an equitable or beneficial transfer of, or a declaration of trust over (i) the Loans and (ii) their Related Security to be sold under the Mortgage Sale Agreement (or in the case of CPF Loans and their Related Security, to be subject to the terms of the Assets Trust) have been obtained (including consents of insurers for assignment of rights and interests under relevant insurance policies), save for the consent from the CPF Board to the transfer of CPF Loans, Converted Loans and their Related Security to the Replacement Assets Trustee or a Relevant Purchaser;
- (q) the Seller holds in its possession or control the Title Deed in relation to the Property, the relevant Loan File and the Mortgage;
- (r) the Seller has, since the making or, as the case may be, acquiring of each Loan, kept or procured the keeping of full and proper accounts, books and records showing all material transactions and all material notices relating to such Loan;
- (s) all authorisations, approvals, licences or consents required as appropriate for the Seller to enter into or perform its material obligations under the Mortgage Sale Agreement have been obtained, save for the consent from the CPF Board to the transfer of CPF Loans, Converted Loans and their Related Security to a Purchaser(s) or the Replacement Assets Trustee; and

- (t) each of the Mortgages has been duly stamped.

If New Loan Types are to be sold to the Covered Bond Guarantor, then the Representations and Warranties in the Mortgage Sale Agreement will be waived or modified as required to accommodate these New Loan Types, *provided that* a Rating Agency Confirmation has been received in respect of any such modification and the Cash Manager has certified that such waiver or amendment will not have a material adverse effect. The prior consent of the Covered Bondholders to the requisite amendments will not be required to be obtained. In relation to the sale of New Loan Types to the Covered Bond Guarantor, the Seller shall procure that legal opinions opining on, amongst other things, the “true-sale” of such New Loan Types be provided to the Covered Bond Guarantor and the Security Trustee in such form as may be reasonably required by the Security Trustee and the Covered Bond Guarantor.

Repurchase of Loans

If the Seller receives a Loan Repurchase Notice from the Covered Bond Guarantor or the Cash Manager on behalf of the Covered Bond Guarantor identifying a Loan or its Related Security in the Portfolio which does not, as at the relevant Closing Date, materially comply with the Representations and Warranties set out in the Mortgage Sale Agreement, then the Seller will be required to (i) (in the case of Non-CPF Loans) repurchase such Non-CPF Loan (or, as the case may be, such Defaulted Loan and/or Converted Loan) and its Related Security (and any related Top-up Loans), or (ii) (in the case of CPF Loans) repurchase the relevant CPF Loans and their Related Security (and any related Top-up Loans) (including, for the avoidance of doubt, where legal title to such CPF Loans and their Related Security (and any related Top-up Loans) have been transferred to a Replacement Assets Trustee) that are included in the Portfolio.

The repurchase price payable upon the repurchase of any Loan (or, as the case may be, Defaulted Loan and/or Converted Loan) is an amount (not less than zero) equal to the True Balance of such Loan (or, as the case may be, Defaulted Loan and/or Converted Loan) and expenses as at the date of completion of such repurchase or re-transfer, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof in the period up to (but excluding) the date falling two Singapore Business Days prior to the relevant repurchase date in respect of such Loan (see “*Repurchase adjustment in respect of Non-CPF Loans*” and “*Summary of the Principal Documents — Declaration of Assets Trust — Repurchase adjustment in respect of CPF Loans and Top-up Loans*”). Any repurchase proceeds received from the sale of such Loan (or, as the case may be, Defaulted Loan and/or Converted Loan) and its Related Security by (in the case of Non-CPF Loans) the Covered Bond Guarantor or (in the case of CPF Loans) the Assets Trustee (or the Covered Bond Guarantor) will be applied in accordance with the relevant Priority of Payment. See “*Cashflows and Priorities of Payments*”. The repurchase price payable upon the repurchase of any related Top-up Loan is an amount (not less than zero) equal to the outstanding balance of the Top-up Loan as at the relevant repurchase date, plus accrued interest and any other amounts due in respect thereof in the period to (but excluding) the date falling two Singapore Business Days prior to the relevant repurchase date in respect of such Top-up Loan (see “*Summary of the Principal Documents — Declaration of Assets Trust — Repurchase adjustment in respect of CPF Loans and Top-up Loans*”). Any repurchase proceeds received from the sale of such Top-up Loan shall be applied outside the Priorities of Payments towards the repayment of the Ancillary Intercompany Loan.

Upon completion of the purchase or repurchase by the Seller of any CPF Loan and its Related Security (and any related Top-up Loans) in accordance with the Mortgage Sale Agreement and Declaration of Assets Trust, such CPF Loan and its Related Security (and any related Top-up Loans) shall thereupon be released and shall cease to form part of the Trust Assets.

General ability to repurchase

Prior to the occurrence of an Issuer Event of Default, the Seller may from time to time offer to (in the case of Non-CPF Loans) repurchase a Non-CPF Loan and its Related Security (and any related Top-up Loans)

from the Covered Bond Guarantor for a purchase price of not less than the aggregate True Balance of the relevant Loan. The Covered Bond Guarantor may accept such offer at its discretion.

Prior to the occurrence of an Issuer Event of Default, the Seller may from time to time offer to (in the case of CPF Loans) repurchase a CPF Loan and its Related Security, as more particularly described in “*Summary of the Principal Documents — Declaration of Assets Trust — General Ability to Repurchase*”.

Defaulted Loans

If a Seller receives a Defaulted Loans Notice from the Cash Manager identifying any Defaulted Loan, then that Defaulted Loan will be attributed a reduced weighting in the calculation of the Asset Coverage Test and the Amortisation Test as at the relevant Calculation Date. In addition, the Seller may, at its option, (in the case of Non-CPF Loans) repurchase a Defaulted Loan and its Related Security (and any related Top-up Loans) or (in the case of CPF Loans) accept surrender of the Trust Assets relating to such CPF Loans and their Related Security (and any related Top-up Loans) from the Covered Bond Guarantor for an amount (not less than zero) equal to the True Balance of the Defaulted Loan and the outstanding balance of any related Top-up Loans as at the date of completion of such repurchase, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling two Singapore Business Days prior to the relevant repurchase date in respect of such Loan (see “*Repurchase adjustment in respect of Non-CPF Loans*” and “*Summary of the Principal Documents — Declaration of Assets Trust — Repurchase adjustment in respect of CPF Loans and Top-up Loans*”).

Converted Loans

A Non-CPF Loan becomes a Converted Loan in circumstances where a Mortgagor of a Non-CPF Loan has obtained the CPF Withdrawal Approval after the Cut-off Date but prior to the service of a Notice to Pay or a CBG Acceleration Notice (whichever is earlier). The Seller (as legal mortgagee) is entitled to notice of such approval and may, at its option, offer to repurchase such Converted Loan and its Related Security (and any related Top-up Loans) from the Covered Bond Guarantor prior to such withdrawal. No consent from the CPF Board is required for such repurchase prior to withdrawal of CPF Funds (and the Seller is entitled to participate in the documentary process which is a pre-requisite for the Mortgagor making such withdrawal). The repurchase price shall be an amount (not less than zero) equal to the True Balance of the Converted Loan and any expenses as at the date of completion of such repurchase, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling two Singapore Business Days prior to the relevant repurchase date in respect of such Loan (see “*Repurchase adjustment in respect of Non-CPF Loans*” and “*Summary of the Principal Documents — Declaration of Assets Trust — Repurchase adjustment in respect of CPF Loans and Top-up Loans*”).

If the Seller does not repurchase such Converted Loan and its Related Security prior to such withdrawal of CPF Funds, the prior approval of the CPF Board would be required for a transfer of the legal title to a Purchaser or third party. As described below, Converted Loans are excluded from the Asset Coverage Test and the Amortisation Test.

Right of pre-emption

Under the terms of the Mortgage Sale Agreement, the Seller has a right of pre-emption in respect of any sale, in whole or in part, of Selected Loans (and any related Top-up Loans).

The Covered Bond Guarantor (in respect of Non-CPF Loans and their Related Security (and any related Top-up Loans)) and/or the Assets Trustee (in respect of CPF Loans and their Related Security (and any related Top-up Loans)) will serve on the Seller a Selected Loans Offer Notice offering to sell (or surrender as the case may be) Selected Loans at an offer price, in the case of the Selected Loans, equal to: (a) where the Selected Loans Offer Notice is given following a breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds and the Pre-Maturity Liquidity Ledger is not funded by the required amount, the greater of the then True Balance of the Selected Loans plus any Accrued Interest

and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the date falling two Singapore Business Days prior to the relevant date of completion of sale of such Selected Loans and the Adjusted Required Redemption Amount; (b) where the Selected Loans Offer Notice is given following the service of an Asset Coverage Test Breach Notice but prior to the service of a Notice to Pay, the True Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the date falling two Singapore Business Days prior to the relevant date of completion of sale of such Selected Loans; or (c) where the Selected Loans Offer Notice is given following the service of a Notice to Pay, the greater of the True Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the date falling two Singapore Business Days prior to the relevant date of completion of sale of such Selected Loans and the Adjusted Required Redemption Amount, in each case subject to the offer being accepted by the Seller within 20 Singapore Business Days. The related Top-up Loans, if any, will be offered for an offer price equal to the outstanding balance of the related Top-up Loans, plus accrued interest and any other amounts due in respect of such Top-up Loans received by the Seller under such Top-up Loans in the period up to (but excluding) the date falling two Singapore Business Days prior to the relevant transfer date in respect of such Top-up Loans (see “*Summary of the Principal Documents — Declaration of Assets Trust — Repurchase adjustment in respect of CPF Loans and Top-up Loans*”).

If an Issuer Event of Default has occurred but no liquidator or judicial administrator has been appointed in respect of the Seller, the Seller’s right to accept the offer (and therefore its right of pre-emption) will be conditional upon the delivery by the Seller of a solvency certificate to the Covered Bond Guarantor and the Security Trustee. If the Seller rejects the Covered Bond Guarantor’s offer or fails to accept it in accordance with the foregoing, the Covered Bond Guarantor will offer to sell the Selected Loans to other Purchasers (see “*Establishment Deed — Method of Sale of Selected Loans*”).

If a Seller validly accepts the Covered Bond Guarantor’s and/or the Assets Trustee’s (as the case may be) offer to sell (or surrender as the case may be) the Selected Loans, the Covered Bond Guarantor and/or the Assets Trustee (as the case may be) shall within three Singapore Business Days of receipt of such acceptance, serve a Selected Loans Repurchase Notice on the Seller. The Seller shall promptly sign and return a duplicate copy of the Selected Loans Repurchase Notice and shall repurchase or accept surrender (as the case may be) from the Covered Bond Guarantor and/or the Assets Trustee (as the case may be), free from the Security created by and pursuant to the Singapore Deed of Charge, the relevant Selected Loans referred to in the relevant Selected Loans Repurchase Notice. The Covered Bond Guarantor shall direct the Assets Trustee to accept surrender of the beneficial interest of the CBG Beneficiary in the related Trust Assets in accordance with the Declaration of Assets Trust. Completion of the purchase of the Selected Loans by the Seller shall take place on the CBG Payment Date next occurring after receipt by the Seller of such Selected Loans Repurchase Notice or such date as the Covered Bond Guarantor and/or the Assets Trustee (as the case may be) may direct in the Selected Loans Repurchase Notice (*provided that* such date shall not be later than the earlier to occur of the date which is: (a) 10 Singapore Business Days after receipt by the Covered Bond Guarantor and/or the Assets Trustee (as the case may be) of the returned Selected Loans Repurchase Notice; and (b) the Maturity Date, as applicable, of the relevant Series of Hard Bullet Covered Bonds or of the Earliest Maturing Covered Bonds).

For the purposes hereof:

(a) “**Adjusted Required Redemption Amount**” means the SGD Equivalent of:

(i) the Required Redemption Amount,

plus (if an amount is payable by the Covered Bond Guarantor) or minus (if an amount is payable to the Covered Bond Guarantor)

- (ii) any swap termination amounts (other than Excluded Swap Termination Amounts) payable to or by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement in respect of the relevant Series of Covered Bonds,

plus (if an amount is payable by the Covered Bond Guarantor) or minus (if an amount is payable to the Covered Bond Guarantor)

- (iii) any swap termination amounts (other than Excluded Swap Termination Amounts) payable to or by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement in respect of the relevant Series of Covered Bonds,

minus

- (iv) amounts standing to the credit of the Transaction Account and any Authorised Investments and/or Substitution Assets (excluding all amounts to be applied on the next following CBG Payment Date to pay or repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds); and

- (b) **“Required Redemption Amount”** means, in respect of a Series of Covered Bonds, the outstanding nominal amount of the relevant Series of Covered Bonds:

The Mortgage Sale Agreement is governed by Singapore law.

All Monies Mortgages and the Covered Bond Guarantor Declaration of Trusts

Some of the Mortgages for the Loans to be included in the Portfolio may constitute “all monies security” in that they stand as security for Associated Debt as well as for a Loan and any related Top-up Loans extended by the Seller to the Borrower or the Mortgagor (as the case may be) (each, an **“All Monies Mortgage”** and together, the **“All Monies Mortgages”**). An All Monies Mortgage will be enforceable on the occurrence of a default by a Borrower or a Mortgagor either under a Loan, Top-up Loan or any Associated Debt secured by the relevant All Monies Mortgage.

Pursuant to the terms of the Mortgage Sale Agreement, the Seller will transfer to the Covered Bond Guarantor all its rights under each of the All Monies Mortgages relating to Non-CPF Loans by way of equitable assignment and will procure that the proceeds of enforcement of each of the All Monies Mortgages are paid to the Covered Bond Guarantor by payment into an account to be specified by the Covered Bond Guarantor. Pursuant to the terms of the Declaration of Assets Trust, the Seller will transfer to the CBG Beneficiary all its rights under each of the All Monies Mortgages relating to the CPF Loans by way of declaration of trust and will procure that the proceeds of enforcement of each All Monies Mortgage are paid to the CBG Beneficiary by payment into an account to be specified by the CBG Beneficiary. The All Monies Trustee, pursuant to the declaration of trusts (the **“Covered Bond Guarantor Declaration of Trusts”**), will declare a separate trust over the All Monies Trust Property (as defined below) in favour of itself (or the CBG Beneficiary), as to the CBG Share, and the Seller, as to the Seller Share, absolutely as to both capital and income, as beneficial tenants in common.

“All Monies Trust Property” means (in respect of each All Monies Trust):

- (a) all rights, estate, title, interests, benefits and remedies of the Covered Bond Guarantor or, as the case may be, the CBG Beneficiary (both present and future) in and under the All Monies Mortgage acquired under the terms of the Mortgage Sale Agreement or, as the case may be, the Declaration of Assets Trust;
- (b) the proceeds of enforcement of the All Monies Mortgage referred to in (a) above and the Related Security referred to in (d) below which secures sums due by the relevant Borrower and/or the

relevant Mortgagor under the relevant Loan(s), the relevant Top-up Loan(s) and/or the relevant Associated Debt;

- (c) all amounts referable to the proceeds of enforcement of the relevant All Monies Mortgage and Related Security referred to in (b) above standing to the credit of the CBG Trust Account from time to time;
- (d) all rights, estate, title, interests, benefits and remedies of the All Monies Trustee (both present and future) in and under any Related Security acquired under the terms of the Mortgage Sale Agreement and the Declaration of Assets Trust which may respond to all liabilities of the relevant Borrower and/or Mortgagor incurred or to be incurred in relation to the relevant Loan(s), relevant Top-up Loan(s) and/or the relevant Associated Debt;
- (e) any additions to the All Monies Trust Property acquired after the date of the Covered Bond Guarantor Declaration of Trusts; and
- (f) all assets representing the above from time to time or derived therefrom or created or acquired by the All Monies Trustee in that capacity from time to time.

“All Monies Trust” means the separate trust of each All Monies Mortgage (and other All Monies Trust Property representing, derived from or relating to that All Monies Mortgage) declared by the All Monies Trustee in favour of the All Monies Beneficiaries pursuant to the Covered Bond Guarantor Declaration of Trusts.

“All Monies Beneficiaries” means in relation to an All Monies Trust, the Covered Bond Guarantor (or, as the case may be, the CBG Beneficiary) and the Seller as beneficiaries of such All Monies Trust.

The CBG Share of the principal of each separate All Monies Trust will be an amount of All Monies Trust Property equal to the True Balance of the Loan(s) plus any Accrued Interest and Arrears of Interest on those Loans and the outstanding balance of any related Top-up Loan(s), plus any accrued interest and arrears of interest on those Top-up Loan(s), secured by the relevant All Monies Mortgage and any other Related Security held on that All Monies Trust and any other amounts due in respect thereof. The Seller Share of the principal of each separate All Monies Trust will be an amount of All Monies Trust Property equal to the outstanding balance of any relevant Associated Debt which the Seller is entitled to, plus any amount recoverable in respect of such Associated Debt (including but not limited to any accrued interest on such Associated Debt), secured by the relevant All Monies Mortgage and any other Related Security held on that All Monies Trust. The CBG Share and the Seller Share of any income of each All Monies Trust shall be in the same proportions which their respective shares of the principal of the relevant All Monies Trust bear to the total principal of the relevant All Monies Trust. In applying the proceeds of enforcement of the All Monies Trust Property, the All Monies Trustee shall ensure that (to the extent that a Mortgagor has utilised CPF Funds in connection with the Property) the relevant amount will be refunded to that Mortgagor's CPF account(s) in accordance with the priority of distributions set out in the section *“Regulation/Legal Aspects of the Singapore Residential Mortgage Market — CPF Board”*. In any case, the Seller's share of the All Monies Trust Property in respect of each All Monies Mortgage will be subordinated to the Covered Bond Guarantor's share of the All Monies Trust Property in respect of each All Monies Mortgage.

The Seller (in its capacity as the All Monies Beneficiary) may direct the All Monies Trustee in respect of the enforcement of the All Monies Mortgage relating to the Associated Debt. If in the reasonable opinion of the Seller it is necessary for any of the Associated Debt to be assigned or transferred to the All Monies Trustee so as to enable recovery of such Associated Debt under or in connection with the All Monies Mortgage and/or any other Related Security, the Seller may request and the All Monies Trustee shall, subject to applicable laws and regulations (including MAS Notice 648), agree to purchase such Associated Debt. The purchase of an Associated Debt shall be funded by the Covered Bond Guarantor using Deemed

Ancillary Intercompany Loan Advances and after such purchase, the Associated Debt shall be deemed to be a Top-up Loan and (if such Associated Debt is related to a CPF Loan) shall constitute new Trust Assets and the CBG Beneficiary shall on the completion date of such purchase make an Additional Contribution.

For the avoidance of doubt, All Monies Mortgages are administered by the Servicer in the same manner as are all other Mortgages.

The Covered Bond Guarantor Declaration of Trusts is governed by Singapore law.

DECLARATION OF ASSETS TRUST

Pursuant to the terms of the Declaration of Assets Trust between the Assets Trustee, the Security Trustee, the Seller, the Covered Bond Guarantor, the CBG Beneficiary and the All Monies Trustee, the Assets Trustee established the Assets Trust. The Assets Trust is a trust formed under Singapore law with the Assets Trustee as trustee for the benefit of the CBG Beneficiary.

Trust Property

In accordance with and pursuant to the terms of the Declaration of Assets Trust, the Assets Trustee declares itself as trustee and that it holds and agrees to hold:

- (a) (in respect of the Initial Portfolio) all the Seller's present and future rights, estate, title, interests, benefits and remedies on and from the Cut-off Date in and to each and every CPF Loan and Related Security comprised in the Initial Portfolio and any related Top-up Loans; and
- (b) (in respect of each New Portfolio) all the Seller's present and future rights, estate, title, interests, benefits and remedies on and from the Cut-off Date in and to each and every CPF Loan and Related Security comprised in such New Portfolio and any related Top-up Loans,

on and from the First Closing Date on trust absolutely as to both capital and income for the CBG Beneficiary, upon, with and subject to the trusts, powers and provisions of the Declaration of Assets Trust (such trust, the "**Assets Trust**") and the Assets Trustee and the CBG Beneficiary agree that the Assets Trustee shall deal with all Principal Receipts and Revenue Receipts in respect of the CPF Loans and their Related Security comprised in the Portfolios (and any related Top-up Loans) and/or, as the case may be, receipts from the enforcement of any Related Security related to a CPF Loan and/or any other receipts from the Trust Assets (including any Top-up Loans) in accordance with the terms of the Declaration of Assets Trust.

The CBG Beneficiary has covenanted in the Singapore Deed of Charge that it shall not call, request or act in any manner to transfer legal title in any of the Trust Assets from the Assets Trustee to itself without the prior written consent of the Security Trustee. The Security Trustee has covenanted in the Singapore Deed of Charge that it shall not consent to any such transfer of legal title in the Trust Assets to the CBG Beneficiary in any circumstances.

In respect of any CPF Loan and any Top-up Loan which is at such time part of the Trust Assets, upon and after any increase in the True Balance in respect of such CPF Loan and/or any increase in the outstanding balance of such Top-up Loan after the relevant Closing Date, the increase in such True Balance of such CPF Loan and/or any increase in the outstanding balance of such Top-up Loan (and, for the avoidance of doubt, the rights to receive increased payment amounts from Borrowers, Mortgagors, sureties, guarantors and/or any other relevant persons as a result thereof) shall automatically be added to and form part of the Trust Assets and be held on trust by the Assets Trustee pursuant to the terms of the Declaration of Assets Trust. The CBG Beneficiary shall on each CBG Payment Date and by way of consideration in respect of such increase in the True Balance of such CPF Loan and/or any increase in the outstanding balance of such Top-up Loan during the immediately preceding Calculation Period, pay on such CBG Payment Date (as calculated on the immediately preceding Calculation Date by the Cash Manager) to the Assets Trustee

an Additional Contribution equal to the amount of such increase in the True Balance or increase in the outstanding balance. The Seller, the Assets Trustee and the CBG Beneficiary acknowledge that in accordance with and subject to the fulfilment of the conditions set out in the Intercompany Loan Agreement, an increase in the True Balance of a CPF Loan comprised in the Portfolio shall be funded by the application of the relevant Deemed Advance. If the Deemed Advance Preconditions set out in the Intercompany Loan Agreement have not been satisfied on the relevant Calculation Date or CBG Payment Date (as applicable) then, in accordance with the terms of the Subordinated Loan Agreement, the amount that would otherwise have constituted a Deemed Advance will, instead, constitute a Deemed Subordinated Advance in accordance with the terms of the Subordinated Loan Agreement.

Contributions to the Assets Trust

Subject to compliance with the Eligibility Criteria (as defined in “*Summary of the Principal Documents — Mortgage Sale Agreement — Conditions to Sale of Non-CPF Loans and their Related Security or declaration of trust in respect of CPF Loans and their Related Security and Eligibility Criteria*”), the Covered Bond Guarantor will use part of the initial Advance to pay to the Seller as consideration for acquiring an interest in the CPF Loans and their Related Security contributed by the Seller on the First Closing Date to the Assets Trust in accordance with the terms of the Declaration of Assets Trust.

Subject to compliance with the Eligibility Criteria, the Covered Bond Guarantor will use additional Advances to make Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the Seller. The Additional Contribution shall be an amount equal to the True Balance as at the Cut-off Date of such CPF Loans and the outstanding balance of such Top-up Loans comprising the New Portfolio. Any Additional Contributions shall be funded by the CBG Beneficiary from, as applicable, (i) Available Principal Receipts subject to and in accordance with the applicable Priority of Payments and/or (ii) the proceeds of any Advance pursuant to the Intercompany Loan Agreement and/or (iii) the proceeds of any Subordinated Advance pursuant to the Subordinated Loan Agreement and/or (iv) (if applicable due to the inclusion of any Top-up Loans (or any increase in the outstanding balance thereof)) the proceeds of any Deemed Ancillary Intercompany Loan Advances pursuant to the Ancillary Intercompany Loan Agreement, in each case subject to and in accordance with the provisions of the Declaration of Assets Trust and the Establishment Deed.

Pursuant to the terms of the Declaration of Assets Trust, the Covered Bond Guarantor has agreed from time to time to pay a Deferred Contribution to the Assets Trustee subject to Deferred Contribution Consideration being paid to the Seller in accordance with the relevant Priorities of Payment. Such Deferred Contributions shall be deemed to be paid to the Assets Trustee if Deferred Contribution Consideration is made to the Seller by the CBG Beneficiary (or the Assets Trustee on its behalf) in accordance with the relevant Priorities of Payments. Deferred Contributions will not form part of the Trust Assets on payment to the Seller.

Prior to the occurrence of a CBG Event of Default, in connection with the acquisition of CPF Loans and their Related Security, the Covered Bond Guarantor may acquire an interest in any related Top-up Loans from the Seller (such interest to form part of the Trust Assets and to take effect as of a subsequent Calculation Date, as agreed between the Seller and the Covered Bond Guarantor), such Top-up Loans to be funded by the Deemed Ancillary Intercompany Loan Advances under the Ancillary Intercompany Loan Agreement.

A Top-up Loan may be used by the Borrower and/or the Mortgagor for purposes other than the financing or refinancing the acquisition of a residential property the repayment of which is subordinated to such Loan and any CPF Funds withdrawn to finance or service such Loan in terms of priorities of repayment. Top-up Loans will not be taken into account in the calculation of the Asset Coverage Test.

The Assets Trustee makes the Representations and Warranties set out in the section above headed “*Summary of the Principal Documents — Mortgage Sale Agreement — Representations and Warranties*”

as at each Closing Date to the CBG Beneficiary and the Security Trustee, and all subject to the repurchase provisions (see “*Summary of the Principal Documents — Mortgage Sale Agreement — Repurchase of Loans*”).

The Seller will also be required to repurchase such CPF Loans and their Related Security (and any related Top-up Loans) sold to the Covered Bond Guarantor or to which a trust had been declared in favour of the CBG Beneficiary in the circumstances described above under “*Summary of the Principal Documents — Mortgage Sale Agreement — Repurchase of Loans*”.

Distributions of principal and interest

Pursuant to the terms of the Cash Management Agreement, the Cash Manager will be responsible for providing cash management services to the Assets Trustee in respect of the Assets Trust and the calculations and payments to be made pursuant to, and in accordance with, the Declaration of Assets Trust and shall be responsible for, *inter alia*, determining and distributing interest amounts, principal amounts and Top-up Receipts on behalf of the Assets Trustee on each CBG Payment Date.

General ability to repurchase

Prior to the occurrence of an Issuer Event of Default, the Seller may from time to time offer to (in the case of CPF Loans) repurchase a CPF Loan and its Related Security (and any related Top-up Loans) and/or a Defaulted Loan (which is a CPF Loan) and its Related Security (and any related Top-up Loans). The CBG Beneficiary may accept such offer at its absolute discretion, and if it does so, the CBG Beneficiary shall accordingly release and surrender to the Assets Trustee and shall direct the Assets Trustee to accept surrender, free from the Security created by or pursuant to the Deeds of Charge, its interest in the relevant CPF Loan (or, as the case may be, the relevant Defaulted Loan and/or Top-up Loan) and its Related Security (and any related Top-up Loans). For the avoidance of doubt, such CPF Loan (or, as the case may be, the relevant Defaulted Loan) and its Related Security (and any related Top-up Loans) shall only cease to be Trust Assets upon receipt by the CBG Beneficiary of the Distribution in accordance with the Declaration of Assets Trust and the Mortgage Sale Agreement. For the avoidance of doubt, the consent of the Security Trustee shall not be required in respect of any such repurchase.

Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee

In certain limited circumstances following the occurrence of a Replacement Assets Trustee Event (as defined below), legal title to the CPF Loans and their Related Security (and any related Top-up Loans) may be required to be transferred to effect an appointment of a Replacement Assets Trustee. In the case of the transfer of Mortgages relating to CPF Loans and their Related Security or Selected Loans (which are CPF Loans) to the Replacement Assets Trustee or a Relevant Purchaser, the transfer of such Mortgages, such CPF Loans and their Related Security or such Selected Loans (which are CPF Loans) shall be subject to the Assets Trustee or the CBG Beneficiary having procured or caused to be procured any one of the Requisite CPF Loan Legal Title Transfer Approvals (unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required in order for the transferee of such Mortgages to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of the relevant Property). Prior to any one of the Requisite CPF Loan Legal Title Transfer Approvals being obtained and unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required, the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals (set out in paragraphs (a) to (c) of the definition of such term) that are necessary to effect such transfer and for this purpose, the party procuring a Requisite CPF Loan Legal Title Transfer Approval relating to a Section 55B/C Transfer, and/or a Sections 210/212 Scheme shall use reasonable endeavours to:

- (i) obtain such consents and/or certifications (including ministerial consents and/or certifications) or waiver of the requirement for such consents and/or certifications;

- (ii) prepare, file, publish, submit, lodge, register and/or serve such reports, notices, summaries, supporting documents and court applications; and
- (iii) convene or arrange for such creditors meeting(s),

in each case, as may be required to obtain such Requisite CPF Loan Legal Title Transfer Approval.

Prior to any Requisite CPF Loan Legal Title Transfer Approval being obtained and unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required in order for the transferee of such Mortgages to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of the relevant Property, such relevant CPF Loans and their Related Security (and any related Top-up Loans) shall continue to be held by the Assets Trustee pursuant to the terms of the Declaration of Assets Trust and subject to the terms of the Transaction Documents (including, but not limited to, the Servicing Agreement).

In the event that the CBG Beneficiary and the Assets Trustee fail to obtain any one of the Requisite CPF Loan Legal Title Transfer Approvals in respect of a proposed transfer of the legal title to all or any Selected Loans (which are CPF Loans) to a Relevant Purchaser, the Declaration of Assets Trust sets out certain provisions for the CBG Beneficiary to assign absolutely its beneficial interest in all or any Selected Loans (which are CPF Loans) to a purchaser. Any purchaser (including any subsequent purchaser) may assign its beneficial interest in all or any such Selected Loans (which are CPF Loans) to another purchaser (each purchaser a “**Beneficiary Assignee**”). The CBG Beneficiary and each Beneficiary Assignee shall have all rights and remedies in relation to such Selected Loans (which are CPF Loans) under the Assets Trust which are beneficially owned by it (including, but not limited to, the right to sell its beneficial interest to such other party as it may select).

The Assets Trustee or, as the case may be, the Replacement Assets Trustee, shall at all times segregate and keep separately identifiable the Selected Loans (which are CPF Loans) held by the CBG Beneficiary and each Beneficiary Assignee(s) to the extent of each of their respective beneficial interests in the Selected Loans (which are CPF Loans) under the Assets Trust.

In respect of a sale of Selected Loans which are CPF Loans and their Related Security (and any related Top-up Loans) to a Purchaser, please see the section “*Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans*”.

The Assets Trustee and the CBG Beneficiary shall, upon the occurrence of any of the events set out in paragraphs (a) to (f) below, use reasonable endeavours to appoint a Replacement Assets Trustee:

- (a) the occurrence of an Issuer Event of Default and service on the Issuer of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay (or, if earlier, following the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice), except that the appointment of a Replacement Assets Trustee in respect of Selected Loans (which are CPF Loans) described in a Selected Loans Offer Notice is not required if the Seller has notified the Covered Bond Guarantor and/or the Assets Trustee that it will accept the offer set out in the Selected Loans Offer Notice within the prescribed time;
- (b) the Assets Trustee and/or the CBG Beneficiary being required (i) by law; (ii) by an order of a court of competent jurisdiction; (iii) by a regulatory authority which has jurisdiction over the Seller; or (iv) by any organisation of which the Seller is a member, or whose members comprise, but are not necessarily limited to, mortgage lenders and with whose instructions it is customary for the Seller to comply, to transfer legal title to the CPF Loans;
- (c) the occurrence of an Insolvency Event in respect of the Assets Trustee;
- (d) the termination or resignation of the Seller as Servicer under the Servicing Agreement unless:

- (i) at the relevant date of termination or resignation, any substitute servicer is a member of the Maybank Group; or
- (ii) the Security Trustee otherwise consents (such consent (1) not to be unreasonably withheld and (2) to be given if a Rating Agency Confirmation has been delivered by the Issuer to the Covered Bond Guarantor and the Security Trustee in respect of the termination or resignation of the Seller as Servicer);
- (e) the Assets Trustee requesting a transfer of legal title to the Replacement Assets Trustee by giving notice in writing to the CBG Beneficiary and the Security Trustee; or
- (f) the Assets Trustee's long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's or BBB- by S&P,

the events in (a) to (f) above, the **"Replacement Assets Trustee Events"**.

In the case of the occurrence of a Replacement Assets Trustee Event or, in the case of Selected Loans only, at the request of the CBG Beneficiary following the acceptance of any offer to sell the Selected Loans to any Purchaser who is not the Seller, the Assets Trustee shall within 30 days after the appointment of the Replacement Assets Trustee or such request by the CBG Beneficiary, submit or deliver all relevant documents, notifications, forms, instruments and applications to the relevant parties as may be necessary to effect the transfer of the legal title of the CPF Loans and their Related Security (and any related Top-up Loans) (or, where specified below, the Selected Loans (which are CPF Loans)) to the Replacement Assets Trustee or (where applicable) the Relevant Purchaser.

"Requisite CPF Loan Legal Title Transfer Approval" means, in relation to a proposed transfer of the legal title to any CPF Loans and their Related Security (and any related Top-up Loans) held by the Assets Trustee under the Declaration of Assets Trust either to a Replacement Assets Trustee or as part of a sale of Selected Loans to a Purchaser, any one of the following:

- (a) where the proposed transferee is an entity licensed to carry on banking business in Singapore, obtaining a Section 55B/C Court Order (as defined below) approving the transfer of that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans and their Related Security (including any related Top-up Loans) (without any requirement to obtain prior consent from the CPF Board prior to implementing such court-sanctioned Section 55B/C Transfer);
- (b) (whether or not the proposed transferee is an entity licensed to carry on banking business in Singapore) the prior consent of the CPF Board to effect such transfer of the Mortgages relating to such CPF Loans; and
- (c) where the proposed transferee is not an entity licensed to carry on banking business in Singapore, (1) a Sections 210/212 Court Order (as defined below) approving the transfer of that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans and their Related Security (including any related Top-up Loans), and (2) the prior consent from the CPF Board to such transfer of the Mortgages relating to such CPF Loans (or a confirmation from the CPF Board that such consent is not required).

Section 55B of the Banking Act

Section 55B of the Banking Act provides a mechanism for a bank to voluntarily transfer the whole or part of its business (including its non-banking business) to a transferee which is licensed by the MAS to carry on banking business in Singapore, and such business that may be transferred by a bank under this section includes a transfer of the legal title to any of the CPF Loans and their Related Security (and any related Top-up Loans) held in the Assets Trust. Under such section, a transferor would seek an order of the General Division of the High Court of Singapore (which the court has the power to grant) which would transfer that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans

and their Related Security (and, where applicable, any related Top-up Loans) pursuant to Sections 55A to C of Part VIIA of the Banking Act (a “**Section 55B/C Transfer**”) and which is sufficiently wide to obviate any requirement to seek the prior consent of the CPF Board to the transfer of Mortgages related to any CPF Loans held under the Declaration of Assets Trust. Such powers of the General Division of the High Court of Singapore in relation to Sections 55B and 55C of the Banking Act are broad enough to (a) enable the General Division of the High Court of Singapore (if it is prepared to) to grant an order which would entitle the Replacement Assets Trustee to the same rights and priorities as the Assets Trustee would have been entitled to in relation to the CPF Loans and their Related Security (and any related Top-up Loans) if the transfer had not taken place and (b) enable a transfer to be made in the absence of the consent of the CPF Board.

A Section 55B/C Transfer procedure may be undertaken by MSL itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of MSL as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of MSL) after the occurrence of any Replacement Assets Trustee Event.

Whether an order will be made approving the Section 55B/C Transfer will depend on the circumstances of the case and there is no guarantee that such an order will be made. In summary, the procedural requirements for a Section 55B/C Transfer are as follows:

- (1) before an application is made to the General Division of the High Court of Singapore for a Section 55B/C Court Order:
 - (a) the transferor obtaining the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or his certification that such consent is not required. In this regard, such Minister will consider whether the MAS has been satisfied that the transferee is a fit and proper person who will conduct the business prudently and comply with the provisions of the Banking Act, and whether it is in the national interest to grant such consent. Such Minister is entitled, in considering such grant of consent, to appoint a party to independently assess and produce a report on the proposed Section 55B/C Transfer;
 - (b) the transferor lodging a report with the MAS (“**Section 55B MAS Report**”) setting out details of the transfer (with supporting documentation);
 - (c) (if the transferor and the transferee intend to serve on their respective customers a summary of the transfer) the transferor and the transferee filing a summary (“**Section 55B Customer Summary**”) of the proposed transfer which is to be sent to the affected customers (i.e. the Borrowers and/or Mortgagors, as the case may be, under the relevant CPF Loans) for prior approval by the MAS;
 - (d) the transferor publishing in the Gazette and in such newspapers as the MAS requires, a notice of its intention to make such application together with such other particulars as may be prescribed by the MAS (such notice to be published not less than 15 days before such application is made and not earlier than one month after the Section 55B MAS Report is lodged with the MAS);
 - (e) the transferor and the transferee keeping at their respective offices in Singapore a copy of the Section 55B MAS Report for a period of 15 days after the publication of the notice in the Gazette, for the inspection by any person who may be affected by the transfer; and
 - (f) the transferor and the transferee serving a copy of the Section 55B MAS Report and the Section 55B Customer Summary (as approved by the MAS) on the Borrowers of the relevant CPF Loans at least 15 days before such application;

- (2) the transferor obtaining an order made by the General Division of the High Court of Singapore approving a Section 55B/C Transfer and which is sufficiently wide to obviate any requirement to obtain the consent of the CPF Board to the transfer of the Mortgages related to such CPF Loans held under the Declaration of Assets Trust (a **"Section 55B/C Court Order"**);
- (3) the transferor and the transferee each lodging within seven days of the Section 55B/C Court Order:
 - (a) a copy of the Section 55B/C Court Order with the Registrar of Companies;
 - (b) a copy of the Section 55B/C Court Order with the MAS; and
 - (c) a copy of the Section 55B/C Court Order certified true by the General Division of the General Division of the High Court of Singapore with the Singapore Land Authority; and
- (4) the transferor and the transferee executing, stamping, lodging and registering appropriate instruments with the Singapore Land Authority for the transfer and/or vesting of the mortgages.

Third parties who may have an interest in the Trust Assets (including the CPF Loans and their Related Security (and any related Top-up Loans)) such as the MAS, the CPF Board and relevant Borrowers and/or Mortgagors of the CPF Loans, may be entitled to file objections and supporting evidence thereof in advance of the relevant decision hearing.

Sections 55B and 55C of the Banking Act have previously been used in Singapore to effect a transfer of businesses between banks. For example, they were used in the transfer of business of (1) The Royal Bank of Scotland N.V., Singapore Branch (formally known as ABN AMRO Bank N.V., Singapore Branch) to ABN AMRO II N.V., Singapore Branch in 2010, (2) HSBC Private Bank (Suisse) SA, Singapore Branch to The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch in 2013 and (3) Société Générale Bank & Trust, Singapore Branch to DBS Bank Ltd. in 2014.

Consent of the CPF Board

In the absence of a Section 55B/C Court Order approving a Section 55B/C Transfer, the prior consent of the CPF Board will be required for the transfer of the Mortgages related to the CPF Loans to a proposed transferee of a CPF Loan and its Related Security (and any related Top-up Loans) (whether or not such transferee is an entity licensed to carry on banking business in Singapore). In deciding whether to consent to such a transfer, the CPF Board may consider the following factors. First, there are statutory provisions that facilitate the transfer from the Assets Trustee to the Replacement Assets Trustee of the legal title to the CPF Loans and their Related Security (and, where applicable, any related Top-up Loans) under the Assets Trust. Section 41 of the Trustees Act provides, generally, for vesting of trust property in new or continuing trustees appointed by deed. Section 41, however, does not obviate the need for the CPF Board's consent. Second, where the Replacement Assets Trustee or the Purchaser is a financial institution, the CPF Board may consider that the Replacement Assets Trustee or such Purchaser has the ability to manage the CPF Loans and their Related Security (and any related Top-up Loans), which may be preferable to the management of the CPF Loans and their Related Security (and any related Top-up Loans) by the Seller which is in a distressed situation (such as an Insolvency Event).

Sections 210 and 212 of the Companies Act

Sections 210 and 212 of the Companies Act provide a mechanism for the whole or any part of the undertaking or the property of a banking corporation incorporated in Singapore to be transferred to any transferee, which includes a transfer of the legal title to any of the CPF Loans and their Related Security (and any related Top-up Loans) held in the Assets Trust (a **"Sections 210/212 Scheme"**). The proposed transferee (that is a Singapore-incorporated company) does not need to be an entity licensed to carry on a banking business in Singapore (though it may need to satisfy the relevant licensing requirements under the Moneylenders Act or be exempt from such licensing requirements). A Sections 210/212 Scheme may not obviate the contractual requirement to obtain the CPF Board's consent to the transfer of legal title of

the Mortgages related to any CPF Loans held under the Declaration of Assets Trust, and hence (following the procurement of the requisite court and other approvals to the Sections 210/212 Scheme) consent from the CPF Board will also need to be obtained prior to the implementation of such Sections 210/212 Scheme. A Sections 210/212 Scheme procedure may be undertaken by MSL itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of MSL as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of MSL) after the occurrence of any Replacement Assets Trustee Event.

Whether an order will be made approving the Sections 210/212 Scheme will depend on the circumstances of the case and there is no guarantee that such an order will be made. In broad terms, the requirements for a Sections 210/212 Scheme are:

- (1) obtaining the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required;
- (2) obtaining a court order (by a summary application) to summon a meeting of the Covered Bondholders;
- (3) obtaining the approval of a requisite majority of Covered Bondholders (a majority in number representing three-fourths (75%) in value of the outstanding nominal amount of all Covered Bonds) voting at the meeting either in person or by proxy provided, however, that this requirement for a majority in number may be obviated if the court so orders;
- (4) based on the Covered Bondholder approval above, obtaining an order made by the General Division of the High Court of Singapore sanctioning a Sections 210/212 Scheme pursuant to Sections 210 and 212 of the Companies Act whereby that part of the Assets Trustee's banking business which comprises legal title to the CPF Loans and their Related Security (and any related Top-up Loans) is approved to be transferred (a "**Sections 210/212 Court Order**"). In considering whether to approve the scheme, the court is likely to consider, *inter alia*, (A) whether the scheme is fair and reasonable to the Covered Bondholders as a whole, (B) whether the applicant (MSL or the Covered Bond Guarantor acting under the Assets Trustee Power of Attorney) and the majority Covered Bondholders who granted their approval to the scheme are acting *bona fide*, and (C) whether the minority of Covered Bondholders are being coerced to promote the interest of the majority Covered Bondholders who granted their approval to the scheme;
- (5) the transferor or the transferee lodging within seven days of the Sections 210/212 Court Order:
 - (a) a copy of the Sections 210/212 Court Order with the Registrar of Companies of Singapore; and
 - (b) a copy of the Sections 210/212 Court Order certified true by the General Division of the High Court of Singapore with the Land Title Registry of the Singapore Land Authority; and
- (6) the transferor and the transferee executing, stamping, lodging and registering appropriate instruments with the Singapore Land Authority for the transfer and/or vesting of the Mortgages.

The consent of the CPF Board to implement such Sections 210/212 Court Order will also be required (see "*Consent of the CPF Board*"). Further, if the transfer of legal title to the CPF Loans and their Related Security (and any related Top-up Loans) is effected by way of a Sections 210/212 Court Order, this will weigh in favour of the CPF Board granting its consent to the transfer of the Mortgages related to such CPF Loans, as the presence of the relevant Sections 210/212 Court Order means the CPF Board would not be called on to make any decision with regard to who is the rightful party to the CPF Loans and their Related Security (and any related Top-up Loans).

Sections 210 (and 212) of the Companies Act have previously been used in Singapore to effect a transfer of businesses. For example, they were used in the integration of banking businesses between (1) DBS

Finance Limited and DBS Bank Ltd in 2001, (2) Keppel TatLee Finance Limited and OCBC Finance Limited in 2002, (3) OCBC Finance Limited and Oversea-Chinese Banking Corporation Limited in 2003, and (4) Overseas Union Trust Limited and United Overseas Bank Limited in 2003.

Assets Trustee Power of Attorney

The Assets Trustee has, in connection with the creation of the Assets Trust, granted by way of deed poll to the CBG Beneficiary a power of attorney (the “**Assets Trustee Power of Attorney**”) to, following the occurrence of a Replacement Assets Trustee Event, permit each of the CBG Beneficiary, each Beneficiary Assignee, the Security Trustee and the Replacement Assets Trustee appointed from time to time in respect of the Trust Assets to take certain actions in the name of the Assets Trustee to ensure the performance by the Assets Trustee of its obligations under the Declaration of Assets Trust, including, among other things:

- (a) to exercise the Assets Trustee’s rights, powers and discretions under or in relation to the Declaration of Assets Trust, the Trust Assets and/or the Loans and their Related Security (and any related Top-up Loans) comprising the Trust Assets;
- (b) to demand, sue for, enforce and receive all monies due and payable under the Assets Trust; and
- (c) to open and maintain new account or accounts (including directing Borrowers and/or Mortgagors to pay into, withdraw from or close any such account) relating to any monies due and payable under the Assets Trust or any other related rights thereunder or (without double counting) under the Loans and their Related Security comprising the Trust Assets.

Under the terms of the Assets Trustee Power of Attorney, the CBG Beneficiary may appoint a delegate to exercise its rights, powers and discretions under the Assets Trustee Power of Attorney.

Any Replacement Assets Trustee appointed following the occurrence of a Replacement Assets Trustee Event will grant a power of attorney, equivalent to the Assets Trustee Power of Attorney, to the CBG Beneficiary as part of its appointment.

CPF consent no longer required in future

In circumstances where the approval of the CPF Board is no longer required for the transfer or assignment of the Mortgage over a Property in order for the Covered Bond Guarantor (and any subsequent transferees as contemplated under the Transaction Documents) to be accorded the priority of payments over the CPF Board, the Transaction Documents envisage mechanics for such CPF Loans to be surrendered by the CBG Beneficiary from the Assets Trust and equitably assigned to the Covered Bond Guarantor under the Mortgage Sale Agreement. Following such surrender and re-assignment, such loan will be considered a “Non-CPF Loan”. The defined terms “CPF Loans”, “Non-CPF Loans” and “Top-up Loans”, and the Transaction Documents generally, have been structured to cater for such possibility.

The Declaration of Assets Trust is governed by Singapore law.

SERVICING AGREEMENT

Pursuant to the terms of the Servicing Agreement entered into on 19 March 2024 (as amended, restated, supplemented or novated from time to time) among the Covered Bond Guarantor, the CBG Beneficiary, MSL (in its capacity as the Seller, the Servicer and the Assets Trustee) and the Security Trustee, the Servicer has agreed to provide administration and management services to the Covered Bond Guarantor (in respect of Non-CPF Loans and their Related Security (and any related Top-up Loans)) and the Assets Trustee and CBG Beneficiary (in respect of CPF Loans and their Related Security (and any related Top-up Loans)).

The Seller in its capacity as Servicer will be required to administer the Loans and their Related Security (and any related Top-up Loans) sold by the Seller to the Covered Bond Guarantor (or, as the case may be, contributed to the Assets Trust):

- (a) in accordance with the Servicing Agreement and to the extent not otherwise provided for in the Servicing Agreement, the Seller's Policy;
- (b) as if the Loans and their Related Security (and any related Top-up Loans) sold by the Seller to the Covered Bond Guarantor (or, as the case may be, contributed to the Assets Trust) had not been, or were not to be, sold or contributed but had remained, or were to remain, on the books of the Seller; and
- (c) exercising the same level of skill, care and diligence as would a Reasonable, Prudent Mortgage Lender.

The Servicer's actions in administering the Loans in accordance with its procedures will be binding on the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee and the Secured Creditors.

The Servicer will have the power to exercise the rights, powers and discretions and to perform the duties of the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee in relation to such Loans and their Related Security pursuant to the terms of the Servicing Agreement, and to do anything which it reasonably considers necessary or convenient or incidental to the administration of those Loans and their Related Security (and any related Top-up Loans), *provided that* at any time after the service of a Notice to Pay or a CBG Acceleration Notice, the Servicer will not agree to any request by a Borrower or a Mortgagor (as the case may be) to apply for CPF Withdrawal Approval without the prior consent of the Covered Bond Guarantor.

Undertakings of the Servicer

Pursuant to the terms of the Servicing Agreement, the Servicer will undertake in relation to such Loans and their Related Security, *inter alia*, to:

- (a) keep records and books of account on behalf of the Covered Bond Guarantor, the Assets Trustee and the CBG Beneficiary in relation to the Loans, the Top-up Loans and their Related Security comprised in the Portfolio (including, for the avoidance of doubt, CPF Loans and their Related Security (together with any related Top-up Loans) held under the Assets Trust);
- (b) keep the Loan Files and Title Deeds in its possession or under its control in safe custody and clearly identified and maintain records necessary to enforce each Mortgage and, subject to applicable laws and regulations, to provide the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee and the Security Trustee with access to the Title Deeds and other records relating to the administration of the Loans and their Related Security;
- (c) maintain a register in respect of the Portfolio;
- (d) subject to applicable laws and regulations, make available, upon request and upon transfer of the legal title of the Loans and their Related Security, to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee and the Security Trustee a report on a monthly basis containing information about the Loans and their Related Security comprised in the Portfolio;
- (e) comply with all relevant notices issued by the MAS;
- (f) assist the Cash Manager in the production of a monthly asset coverage report in accordance with the Cash Management Agreement;
- (g) take all reasonable steps to recover all sums due to the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee, including without limitation instituting proceedings and/or enforcing any Loan comprised in the Portfolio or its Related Security, using the discretion of a Reasonable, Prudent Mortgage Lender in applying the enforcement procedures forming part of the Seller's Policy; and

- (h) enforce any Loan which is in default in accordance with the Seller's enforcement procedures or, to the extent that such enforcement procedures are not applicable having regard to the nature of the default in question, with the usual procedures undertaken by a Reasonable, Prudent Mortgage Lender on behalf of the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee.

Right of delegation by the Servicer

The Servicer may from time to time sub-contract or delegate the performance of its powers and obligations under the Servicing Agreement, *provided that* it will nevertheless remain liable at all times for servicing the Loans and their Related Security (and any related Top-up Loans) comprised in the Portfolio and for the acts or omissions of any delegate or sub-contractor. Any such sub-contracting or delegation may be varied or terminated at any time by the Servicer.

Arrears management and handling of complaints

Pursuant to the terms of the Mortgage Sale Agreement and in accordance with Mortgage Conditions applicable to certain Loans, the Seller has prescribed policies relating to arrears management and handling of complaints which the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee (and any subsequent purchaser thereof) will be required to adhere to following the transfer of Loans and their Related Security. Such arrears management and handling of complaints policies are consistent with those to be applied by the Servicer under the terms of the Servicing Agreement.

Remittances

If the Servicer has a Servicer's Remittance Rating or undertakes any other action which is notified to the Rating Agencies which otherwise satisfies the criteria of each of the Rating Agencies and which would not cause a downgrading or withdrawal of the then current rating of any of the Covered Bonds, the Servicer shall pay an amount equal to the aggregate of (i) the Principal Receipts and Revenue Receipts received during the Calculation Period relating to that Remittance Date and (ii) an amount equal to the interest that would have been earned on such Principal Receipts and Revenue Receipts received by it if they had been deposited into the Transaction Account three Singapore Business Days following receipt by the Servicer in its relevant collection account, less an amount equal to any Taxes payable in relation to those Principal Receipts and Revenue Receipts and any other amount the Seller may retain in accordance with any Transaction Document, as received from Borrowers and/or Mortgagors during a Calculation Period on the Remittance Date for that Calculation Period into the Transaction Account.

If the Servicer does not have a Servicer's Remittance Rating and does not undertake any other action which otherwise satisfies the criteria of each of the Rating Agencies and which would avoid a downgrading or withdrawal of the then current rating of any of the Covered Bonds, then the Servicer must pay all Principal Receipts and Revenue Receipts in its possession or control into the Transaction Account no later than the later of (i) two Singapore Business Days following receipt of such Principal Receipts and Revenue Receipts by the Servicer in its relevant collection account and (ii) two Singapore Business Days following the date upon which the Servicer does not have a Servicer's Remittance Rating if, by that date, the Servicer has not undertaken action which otherwise satisfies the criteria of each of the Rating Agencies and avoids a downgrading or withdrawal of the then current rating of the Covered Bonds.

If the Transaction Account is not maintained with the Account Bank or a member of the Maybank Group, all Principal Receipts and Revenue Receipts must be deposited by the Servicer into the Transaction Account no later than two Singapore Business Days following receipt of them by the Servicer in its relevant collection account.

Re-pricing options

The Servicer may offer a re-pricing option to a Borrower or Mortgagor (in circumstances, *inter alia*, where the Borrower or the Mortgagor is able to refinance its Loan on cheaper terms in the market) during the life

of a Loan. The Servicer has covenanted only to make such offers to the extent that a Reasonable, Prudent Mortgage Lender would do so in similar circumstances.

Compensation

As full compensation for its servicing duties and activities and as reimbursement for any expense incurred by it in connection therewith, the Servicer is entitled to receive the fees (exclusive of the Goods and Service Tax of Singapore (“GST”)) from the Covered Bond Guarantor as set out in the Servicing Agreement.

Removal or resignation of the Servicer

The Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary) and the CBG Beneficiary (subject to the prior written consent of the Security Trustee) may, upon written notice (and in the case of (e) below, not less than 60 days’ written notice) to the Servicer, terminate the Servicer’s rights and obligations if any of the following events (each a “**Servicer Termination Event**” and, each of the first four events set out below, a “**Servicer Event of Default**”) occurs:

- (a) the Servicer defaults in the payment on the due date of any payment due and payable by it under the Servicing Agreement and such default continues unremedied for a period of 10 Singapore Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Security Trustee, the Covered Bond Guarantor, the CBG Beneficiary or the Assets Trustee requiring the same to be remedied;
- (b) the Servicer fails to comply with any of its other obligations under the Servicing Agreement which failure in the reasonable opinion of the Security Trustee is materially prejudicial to the Covered Bondholders and either (i) does not remedy that failure within the earlier of 30 Singapore Business Days after becoming aware of the failure and receipt by the Servicer of written notice from the Security Trustee, the Covered Bond Guarantor, the CBG Beneficiary or the Assets Trustee requiring the same to be remedied, provided that where the relevant default occurs as a result of a default by any person to whom the Servicer has sub-contracted or delegated part of its obligations under the Servicing Agreement, such default shall not constitute a Servicer Termination Event if, within such period of 30 Singapore Business Days of receipt of such notice from the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee, the Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee may (acting on the instructions of the Bond Trustee) specify to remedy such default or to indemnify the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and/or the Security Trustee against the consequences of such default but only to the extent that such consequences are not due to the fraud, wilful misconduct or gross negligence of the Covered Bond Guarantor itself, the Assets Trustee, the CBG Beneficiary and/or the Security Trustee or (ii) the Servicer has not paid satisfactory compensation to the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee for their losses from such breach;
- (c) the Servicer’s long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 from Moody’s or at least BBB- from S&P;
- (d) an Insolvency Event occurs in relation to the Servicer; or
- (e) the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary) and the CBG Beneficiary resolve, after due consideration and acting reasonably, that the appointment of the Servicer should be terminated.

Subject to the fulfilment of a number of conditions, the Servicer may voluntarily resign by giving not less than 12 months’ written notice to the Security Trustee, the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee, *provided that, inter alia*, a substitute servicer qualified to act as such under the applicable law and regulation and with a management team with experience in administering mortgages

of residential property in Singapore has been appointed and enters into a servicing agreement with the Covered Bond Guarantor, the Security Trustee, the CBG Beneficiary and the Assets Trustee substantially on the same terms as the Servicing Agreement. The resignation of the Servicer is conditional on the resignation having no adverse effect on the then current ratings of the Covered Bonds unless the Covered Bondholders agree otherwise by Extraordinary Resolution.

If the appointment of the Servicer is terminated, the Servicer must, subject to applicable laws and regulations (including without limitation, the Banking Act and/or the PDPA), deliver the Title Deeds or the control thereof and Loan Files relating to the Loans administered by it to, or hold to the order of, the Covered Bond Guarantor, the Assets Trustee and the CBG Beneficiary, as applicable. The Servicing Agreement will terminate at such time as the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee and the Replacement Assets Trustee have no further interest in any of the Loans or their Related Security sold to the Covered Bond Guarantor and the CBG Beneficiary (and held on trust by the Assets Trustee) and serviced under the Servicing Agreement that have been comprised in the Portfolio.

Pursuant to the terms of the Servicing Agreement, the Servicer is not liable for a failure to perform its obligations if it is rendered unable to do so due to circumstances beyond its control, such as electricity power cuts, earthquakes, storms or acts of God.

Neither the Bond Trustee nor the Security Trustee is obliged to act as servicer in any circumstances.

The Servicing Agreement is governed by Singapore law.

ASSET MONITOR AGREEMENT

Under the terms of the Asset Monitor Agreement entered into on 19 March 2024 (as amended, restated, supplemented or novated from time to time) between the Asset Monitor, the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the Cash Manager, the Issuer, the Assets Trustee, the Bond Trustee and the Security Trustee, the Asset Monitor has agreed, subject to due receipt of the information to be provided by the Cash Manager to the Asset Monitor, to conduct tests in respect of the arithmetical accuracy of the calculations performed by the Cash Manager in relation to the Asset Coverage Test, prior to service of a Notice to Pay or a CBG Acceleration Notice, as soon as reasonably practicable following each Calculation Date immediately preceding the anniversary of 19 March 2024 (and in any event not later than 20 Singapore Business Days following receipt of such information from the Cash Manager) with a view to confirmation of the arithmetic accuracy or inaccuracy of such calculations. If and for so long as the ratings in respect of the long-term unsecured and unsubordinated debt obligations of the Issuer or the Cash Manager (or if the Cash Manager is not independently rated and, as the case may be, is an affiliate of the Issuer, the ratings in respect of the long-term unsecured and unsubordinated debt obligations of the Issuer, such ratings, the “**Deemed Ratings**”) cease to meet the levels specified in the Asset Monitor Agreement, the Asset Monitor will, subject to receipt of the relevant information from the Cash Manager, be required to conduct such tests following each Calculation Date. Following service of a Notice to Pay (but prior to service of a CBG Acceleration Notice), the Asset Monitor will also be required to test the arithmetical accuracy of the calculations performed by the Cash Manager in respect of the Amortisation Test with a view to confirmation of the arithmetic accuracy or inaccuracy of such calculations.

Following a determination by the Asset Monitor of any errors in the arithmetic accuracy of the calculations performed by the Cash Manager such that the Asset Coverage Test or the Amortisation Test was not satisfied on the relevant Calculation Date (where the Cash Manager had recorded it as being satisfied) or the reported Adjusted Aggregate Loan Amount or the reported Amortisation Test Aggregate Loan Amount was misstated by an amount exceeding 1% of the actual Adjusted Aggregate Loan Amount or the actual Amortisation Test Aggregate Loan Amount, as applicable (as at the date of the relevant Asset Coverage Test or the relevant Amortisation Test), the Asset Monitor will be required to conduct such tests in respect of each Calculation Date occurring during the period ending six months thereafter.

Under the terms of the Asset Monitor Agreement, to the fullest extent permitted by law the Asset Monitor shall not have liability under the Asset Monitor Agreement to the extent that liability would be imposed upon the Asset Monitor by reason of it having relied upon any statement or information made or provided to it by the Cash Manager in accordance with the Asset Monitor Agreement which was untrue, inaccurate, incomplete or misleading (in the absence of manifest error), other than in respect of arithmetic accuracy of the calculations performed by the Cash Manager in respect of the Asset Coverage Test and the Amortisation Test which the Asset Monitor has been appointed to review in accordance with the provisions of the Asset Monitor Agreement. The Asset Monitor Report will be delivered to each party to the Asset Monitor Agreement and the Servicer.

The Asset Monitor has also been appointed as the cover pool monitor in respect of the Covered Bond Guarantor, the Issuer and the Programme for purposes of MAS Notice 648. As soon as reasonably practicable following each Calculation Date immediately preceding each Accounting Reference Date of the Issuer and subject to receipt of certain information to be provided to the Asset Monitor by the Cash Manager, including the Asset Registers, the Investments Ledger, account statements and copies of New Portfolio Notices, Loan Repurchase Notices and Selected Loans Offer Notices, the Asset Monitor will:

- (a) assess the keeping by the Cash Manager and the Servicer on behalf of the Covered Bond Guarantor of an accurate register of the assets in the Asset Pool; and
- (b) assess compliance by the Issuer with MAS Notice 648.

The Asset Monitor may perform its obligations by sampling in accordance with applicable Singapore auditing standards. In the event that the Asset Monitor is unable to perform any such functions as prescribed by MAS Notice 648, it shall immediately notify the Issuer and the Covered Bond Guarantor.

The Covered Bond Guarantor will pay to the Asset Monitor a fee for the tests to be performed by the Asset Monitor.

The Cash Manager may, at any time, terminate the appointment of the Asset Monitor by giving at least 30 days' prior written notice to the Asset Monitor or immediately upon providing the Asset Monitor written notice where the Asset Monitor ceases to be an Eligible Asset Monitor, *provided that* such termination may not be effected unless and until a replacement asset monitor has been found by the Cash Manager in accordance with the replacement terms described below.

The Asset Monitor may, at any time, resign by giving at least 60 days' prior written notice to the Covered Bond Guarantor, the Issuer and the Security Trustee (copied to the Rating Agencies), and may resign by giving immediate notice in the event of a professional conflict of interest under the rules of the professional and/or regulatory bodies regulating the activities of the Asset Monitor and such professional conflict of interest is caused by the action of any recipient of its reports.

Upon the Asset Monitor giving notice of resignation or termination of the Asset Monitor's appointment, the Cash Manager shall immediately use all reasonable endeavours to appoint a substitute asset monitor, provided such substitute is an Eligible Asset Monitor that enters into an agreement substantially on the same terms as the terms of the Asset Monitor Agreement and the substitute Asset Monitor is a party that has been notified to the Rating Agencies by the Cash Manager and a Rating Agency Confirmation has been provided by the Cash Manager in respect of the appointment of the substitute Asset Monitor.

None of the Covered Bond Guarantor, the Bond Trustee or the Security Trustee will be obliged to act as Asset Monitor in any circumstances.

The Asset Monitor Agreement is governed by Singapore law.

ESTABLISHMENT DEED

Pursuant to the terms of the Establishment Deed entered into on 19 March 2024 (as amended, restated, supplemented or novated from time to time) among the Seller, the Assets Trustee, the Servicer, the Cash Manager, Covered Bond Guarantor, CBG Beneficiary, the Security Trustee and the Bond Trustee the parties agree the terms upon which the business of the Covered Bond Guarantor will be operated.

Asset Coverage Test

Under the terms of the Establishment Deed, prior to the service of a Notice to Pay and for so long as any Covered Bonds remain outstanding, the Asset Coverage Test will be satisfied as of a Calculation Date if on that Calculation Date, the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds as calculated on the relevant Calculation Date (the “**Asset Coverage Test**”). For a further discussion of the Asset Coverage Test, see “*Credit Structure including Asset Tests — Asset Coverage Test*”.

On or prior to each Test Date, the Cash Manager must calculate the Adjusted Aggregate Loan Amount and the aggregate SGD Equivalent of the outstanding nominal amount of all Covered Bonds as of the immediately preceding Calculation Date.

If on any Test Date, the Adjusted Aggregate Loan Amount is less than the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds, each calculated as of the relevant Calculation Date immediately preceding that Test Date, then the Cash Manager shall notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies, the Bond Trustee and the Security Trustee thereof and the Covered Bond Guarantor (at the direction of the Cash Manager) will use all commercially reasonable endeavours to acquire further Loans and their Related Security from the Seller and/or obtain an Advance or a Subordinated Advance to ensure that the Asset Coverage Test is met as of the next Calculation Date.

If on the next following Test Date, the Adjusted Aggregate Loan Amount remains less than the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds (each calculated as of the Calculation Date immediately preceding that Test Date), the Asset Coverage Test will be breached and the Cash Manager shall notify the Covered Bond Guarantor, the Seller, the Issuer, the Bond Trustee and the Security Trustee promptly, whereupon the Bond Trustee shall serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor. The Bond Trustee will be deemed to have revoked an Asset Coverage Test Breach Notice if, on or before the first Test Date immediately succeeding service of an Asset Coverage Test Breach Notice, the Asset Coverage Test (as calculated as of the immediately preceding Calculation Date) is satisfied and neither a Notice to Pay nor a CBG Acceleration Notice has been served.

Following service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (which has not been revoked) but prior to the service of a Notice to Pay:

- (a) the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may be required to sell Selected Loans and/or Authorised Investments and remit the proceeds to the Transaction Account (see in “*Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*”);
- (b) prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or, if earlier, the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice, the Pre-Acceleration Revenue Priority of Payments and the Pre-Acceleration Principal Priority of Payments will be modified (see “*Cashflows and Priorities of Payments — Allocation and distribution of Available Revenue Receipts and Available Principal Receipts following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked)*”); and

(c) the Issuer will not be permitted to issue any further Series of Covered Bonds.

If an Asset Coverage Test Breach Notice has been served and is not revoked by the Bond Trustee on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice, then an Issuer Event of Default will occur and the Bond Trustee will be entitled to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

For the purposes hereof:

The “**Adjusted Aggregate Loan Amount**” in respect of a Calculation Date means:

$$A + B + C + D + E - Y$$

where,

A = the lower of (a) and (b), where:

- (a) = the sum of the “LTV Adjusted True Balance” of each Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan in the Portfolio as at the calendar day prior to the relevant Calculation Date, which shall be the lower of:
 - (i) the actual True Balance of the relevant Loan (excluding, for the avoidance of doubt, all Top-up Loans), as calculated as of the relevant Calculation Date, which is not a Converted Loan in the Portfolio as at the calendar day prior to the relevant Calculation Date; and
 - (ii) the aggregate of the Indexed Valuation of each Property subject to a Related Security relating to that Loan, in each case multiplied by M:
 - (A) where, for all Loans that are not Defaulted Loans as at the calendar day prior to the relevant Calculation Date, $M = 0.80$, or such other greater amount determined by the Cash Manager and notified to the Covered Bond Guarantor and the Rating Agencies and in respect of which a Rating Agency Confirmation has been delivered by the Cash Manager; and
 - (B) where, for all Loans that are Defaulted Loans as at the calendar day prior to the relevant Calculation Date, $M = 0$ (zero),

minus

the aggregate sum of the following deemed reductions to the aggregate LTV Adjusted True Balance of the Loans in the Portfolio if either or both of the following occurred during the Calculation Period ending on such Calculation Date:

- (1) the Seller was, in the immediately preceding Calculation Period, in respect of a Loan or its Related Security, in breach of any of the Representations and Warranties contained in the Mortgage Sale Agreement or subject to any other obligation of the Seller to repurchase the relevant Non-CPF Loan and its Related Security (and any related Top-up Loans) and/or the Assets Trustee is subject to an obligation to accept surrender of the Trust Assets relating to the CPF Loans and their Related Security (and any related Top-up Loans) and make a corresponding Distribution to the CBG Beneficiary, and in each case the Seller has not repurchased the Non-CPF Loan or Non-CPF Loans of the relevant Borrower and/or the relevant Mortgagor and its or their Related Security (and any related Top-up Loans) to the extent required by the

terms of the Mortgage Sale Agreement and/or the Assets Trustee has not accepted surrender of the Trust Assets and made a corresponding Distribution to the CBG Beneficiary in relation to the CPF Loans and their Related Security (and any related Top-up Loans) in accordance with the terms of the Declaration of Assets Trust. In this event, the aggregate LTV Adjusted True Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the LTV Adjusted True Balance of the relevant Loan or Loans (as calculated as of the relevant Calculation Date) of the relevant Borrower and/or the relevant Mortgagor; and/or

- (2) the Seller was, in any preceding Calculation Period, in breach of any other material warranty under the Mortgage Sale Agreement and/or the Servicer was, in any preceding Calculation Period, in breach of a material term of the Servicing Agreement. In this event, the aggregate LTV Adjusted True Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor, in the immediately preceding Calculation Period (such financial loss to be calculated by the Cash Manager without double counting (including in respect of amounts under (1) above) and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller to indemnify the Covered Bond Guarantor for such financial loss);

AND

- (b) = the sum of the “**Asset Percentage Adjusted True Balance**” of each Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan in the Portfolio as at the calendar day prior to the relevant Calculation Date which shall be the actual True Balance of the relevant Loan, as calculated as of the relevant Calculation Date multiplied by N:
 - (i) where, for all Loans that are not Defaulted Loans as at the calendar day prior to the relevant Calculation Date, $N = 1.00$; and
 - (ii) where, for all Loans that are Defaulted Loans as at the calendar day prior to the relevant Calculation Date, $N = 0$ (zero),

minus

the aggregate sum of the following deemed reductions to the aggregate Asset Percentage Adjusted True Balance of the Loans in the Portfolio if either or both of the following occurred during the Calculation Period ending on such Calculation Date:

- (A) the Seller was, in the immediately preceding Calculation Period, in respect of a Loan or its Related Security, in breach of any of the Representations and Warranties contained in the Mortgage Sale Agreement or subject to any other obligation of the Seller to repurchase the relevant Non-CPF Loan and its Related Security (and any related Top-up Loans) and/or the Assets Trustee is subject to an obligation to accept surrender of the Trust Assets relating to the CPF Loans and their Related Security (and any related Top-up Loans) and make a corresponding Distribution to the CBG Beneficiary, and in each case the Seller has not repurchased the Non-CPF Loan or Non-CPF Loans of the relevant Borrower and/or the relevant Mortgagor and its or their Related Security (and any related Top-up Loans) to the extent required by the terms of the Mortgage Sale Agreement and/or the Assets Trustee has not accepted surrender of the Trust Assets and made a corresponding Distribution to the CBG Beneficiary in relation to the CPF Loans and their Related Security (and any related

Top-up Loans) in accordance with the terms of the Declaration of Assets Trust. In this event, the aggregate Asset Percentage Adjusted True Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the Asset Percentage Adjusted True Balance of the relevant Loan or Loans (as calculated as of the relevant Calculation Date) of the relevant Borrower and/or the relevant Mortgagor; and/or

- (B) the Seller was, in any preceding Calculation Period, in breach of any other material warranty under the Mortgage Sale Agreement and/or the Servicer was, in the immediately preceding Calculation Period, in breach of a material term of the Servicing Agreement. In this event, the aggregate Asset Percentage Adjusted True Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Calculation Period (such financial loss to be calculated by the Cash Manager without double counting (including in respect of amounts under (A) above) and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller to indemnify the Covered Bond Guarantor for such financial loss),

the result of the calculation in this paragraph (b) being multiplied by the Asset Percentage (as determined below);

- B** = the aggregate amount of any Principal Receipts on the Loans in the Portfolio (excluding Principal Receipts in respect of Top-up Loans) which are not Converted Loans as at the calendar day prior to the relevant Calculation Date up to the end of the Calculation Period ending on such Calculation Date (as recorded in the Principal Ledger) which have not been applied as at the relevant Calculation Date to acquire further Loans and their Related Security or otherwise applied in accordance with the Establishment Deed and/or the other Transaction Documents (including amounts standing to the credit of the Reserve Ledger and the Pre-Maturity Liquidity Ledger but excluding amounts representing Revenue Receipts) (but without double counting);
- C** = the aggregate amount of Advances under the Intercompany Loan Agreement and Subordinated Advances under the Subordinated Loan Agreement which have not been applied as at the relevant Calculation Date either (a) by the CBG Beneficiary to make a contribution into the Assets Trust to acquire further Loans or (b) to acquire further Loans and their Related Security or otherwise applied in accordance with the Establishment Deed and/or the other Transaction Documents (but without double counting);
- D** = any Authorised Investments and Substitution Assets standing to the credit of the Transaction Account as at the relevant Calculation Date (but without double counting);
- E** = the amount of any Sale Proceeds standing to the credit of the Transaction Account and credited to the Pre-Maturity Liquidity Ledger as at the relevant Calculation Date (but without double counting); and
- Y** = 0 (zero), or, if the long-term unsecured and unsubordinated debt obligations of the Seller cease to be rated at least BBB by S&P or A3 by Moody's, the Set-Off Amount.

The "**Asset Percentage**" shall be determined in accordance with the following:

- (a) The "Asset Percentage" on any date shall be the lowest of:
 - (i) 97% or such other amount determined by the Cash Manager (acting on behalf of the Covered Bond Guarantor) and notified to the Covered Bond Guarantor and the Rating Agencies and in respect of which a Rating Agency Confirmation has been delivered by the Cash Manager;

- (ii) such percentage figure as selected by the Cash Manager (acting on behalf of the Covered Bond Guarantor) from time to time and notified to the Covered Bond Guarantor, S&P, the Bond Trustee and the Security Trustee in accordance with the Establishment Deed, being the asset percentage that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by S&P, subject to the restriction in paragraph (b) below; and
- (iii) the percentage figure most recently selected by the Cash Manager (acting on behalf of the Covered Bond Guarantor) and notified to the Covered Bond Guarantor, Moody's, the Bond Trustee and the Security Trustee in accordance with the Establishment Deed, as the percentage figure that is necessary to ensure the Covered Bonds maintain the then current ratings assigned to them by Moody's using Moody's expected loss methodology (regardless of the actual Moody's rating of the Covered Bonds at the time of determination of the Asset Percentage on such date), subject to the restriction in paragraph (b) below.

The Asset Percentage determined in accordance with these terms shall be published in the Investor Report for the relevant period.

- (b) Notwithstanding paragraph (a) above, the Covered Bond Guarantor is not obliged to ensure that the Covered Bonds maintain an AAA rating by S&P or an Aaa rating by Moody's (as the case may be). For the avoidance of doubt, the Covered Bond Guarantor (or the Cash Manager acting on its behalf) is not obliged to maintain the level of credit enhancement required to ensure that the Covered Bonds maintain an AAA rating by S&P or an Aaa rating by Moody's using Moody's expected loss methodology (as the case may be) by exercising its option to select any such percentage figure pursuant to paragraphs (a)(ii) or (a)(iii) above.
- (c) Where there is more than one Loan in the Portfolio secured on the same Property subject to a Related Security, the calculation of the Asset Coverage Test will be calculated in respect of such Loans on a consolidated basis as if all Loans in the Portfolio secured on the same Property subject to a Related Security were a single Loan.
- (d) Following any downgrade of the Covered Bonds by Moody's, the percentage figure in paragraph (a)(iii) above may not exceed the Asset Percentage that applied as of the last time the Covered Bonds were rated Aaa by Moody's.

The Asset Coverage Test seeks to take account of the potential set-off risk (through factor Y (as defined above)) associated with Borrowers and/or Mortgagors holding deposits with the Seller (see "*Risk Factors — Risks Relating to the Covered Bond Guarantor — Set-off risk, including set-off risk arising under Section 62A of the Banking Act may adversely affect the value of the Portfolio or any part thereof*") (although there is no assurance that all such risks therein will be accounted for). Further, for so long as the Covered Bond Guarantor does not have legal title, the Seller will undertake for the benefit of the Covered Bond Guarantor and the Secured Creditors that it will lend its name to, and take such other steps as may be reasonably required by the Covered Bond Guarantor and/or the Security Trustee in relation to, any legal proceedings in respect of the Loans and their Related Security.

Amortisation Test

The Amortisation Test will be satisfied as of each Calculation Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a CBG Acceleration Notice) and, for so long as Covered Bonds remain outstanding, if, on that Calculation Date, the Amortisation Test Aggregate Loan Amount will be in an amount at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date (the "**Amortisation Test**"). For a further discussion of the Amortisation Test, see "*Credit Structure including Asset Tests — Amortisation Test*".

The Cash Manager shall calculate the Amortisation Test Aggregate Loan Amount (as of each Calculation Date) on or prior to each Test Date following service of a Notice to Pay (but prior to service of a CBG Acceleration Notice on the Covered Bond Guarantor).

If, on any Test Date following service of a Notice to Pay on the Covered Bond Guarantor, the Amortisation Test Aggregate Loan Amount is less than the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds, each calculated as of the relevant Calculation Date immediately preceding that Test Date, then the Amortisation Test shall be deemed to be breached and a CBG Event of Default will occur. The Cash Manager shall immediately notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies, the Security Trustee and the Bond Trustee of any breach of the Amortisation Test and the Bond Trustee shall be entitled to serve a CBG Acceleration Notice on the Covered Bond Guarantor in accordance with the Conditions.

The “**Amortisation Test Aggregate Loan Amount**” will be calculated as at each Calculation Date as follows:

A + B + C

where,

- A** = the sum of the “**Amortisation Test True Balance**” of each Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan as at the calendar day prior to the relevant Calculation Date, which balance will be the actual True Balance of the relevant Loan as calculated on the relevant Calculation Date multiplied by M, where for all Loans that are not Defaulted Loans as at the calendar day prior to the relevant Calculation Date, M = 1.00 or such other amount determined by the Cash Manager and notified to the Covered Bond Guarantor and the Rating Agencies and in respect of which a Rating Agency Confirmation has been delivered by the Cash Manager, and for all the Loans that are Defaulted Loans as at the calendar day prior to the relevant Calculation Date, M = 0 (zero);
- B** = the sum of the amount of any cash standing to the credit of the Transaction Account (excluding any Revenue Receipts received in the Calculation Period ending on such Calculation Date); and
- C** = any Authorised Investments and Substitution Assets standing to the credit of the Transaction Account as at the relevant Calculation Date (but without double counting).

Where there is more than one Loan in the Portfolio secured on the same Property subject to a Related Security, the calculation of the Amortisation Test will be calculated in respect of such Loans on a consolidated basis as if all Loans in the Portfolio secured on the same Property subject to a Related Security were a single Loan.

Pre-Maturity Test

Certain Series of Covered Bonds are scheduled to be redeemed in full on their relevant Maturity Date without any provision for scheduled redemption other than on the Maturity Date (the “**Hard Bullet Covered Bonds**”). The applicable Pricing Supplement will identify whether any Series of Covered Bonds is a Series of Hard Bullet Covered Bonds. The “Pre-Maturity Test” is intended to provide liquidity for the Hard Bullet Covered Bonds when the Issuer’s credit ratings cease to meet specified ratings levels. On each Singapore Business Day prior to the occurrence of an Issuer Event of Default or the occurrence of a CBG Event of Default (each a “**Pre-Maturity Test Date**”), the Covered Bond Guarantor (or the Cash Manager acting on its behalf) will determine if the Pre-Maturity Test has been breached and, if so, the Covered Bond Guarantor (or the Cash Manager on its behalf) will immediately notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies and the Security Trustee thereof.

The Issuer will fail and be in breach of the Pre-Maturity Test in relation to a Series of Hard Bullet Covered Bonds on a Pre-Maturity Test Date if:

- (a) the rating from S&P of the Issuer's short-term unsecured and unsubordinated debt obligations cease to be rated at least A-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date; or
- (b) the rating from Moody's of the Issuer's unsecured and unsubordinated debt obligations cease to be at least P-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date.

Following a failure of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds but prior to the service of a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) will, taking into account any Advances or Subordinated Advances made by the Intercompany Loan Provider or the Subordinated Loan Provider and/or funded under the applicable Priorities of Payments, as soon as practicable offer to sell Selected Loans to Purchasers (subject to the Seller's right of pre-emption pursuant to the Mortgage Sale Agreement and/or the Declaration of Assets Trust) with the intention that there will be an amount standing to the credit of the Pre-Maturity Liquidity Ledger at least equal to the Required Redemption Amount of that Series of Hard Bullet Covered Bonds (taking into account the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds). See *"Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans"*.

In addition to the sale of Loans (including Selected Loans) and their Related Security, the Pre-Maturity Liquidity Ledger may be funded by:

- (a) Advances and/or Subordinated Advances; and/or
- (b) to the extent permitted by the Priorities of Payments, Available Revenue Receipts and Available Principal Receipts.

Failure by the Issuer to pay the full amount due in respect of a Series of Hard Bullet Covered Bonds on the Maturity Date thereof (subject to applicable cure periods) will constitute an Issuer Event of Default.

Following service of a Notice to Pay on the Covered Bond Guarantor in relation to a Series of Hard Bullet Covered Bonds but prior to the service of a CBG Acceleration Notice, the Cash Manager must on behalf of the Covered Bond Guarantor apply funds standing to the credit of the Pre-Maturity Liquidity Ledger to repay the relevant Series of Hard Bullet Covered Bonds but shall cease to further fund the Pre-Maturity Liquidity Ledger in relation to that Series of Hard Bullet Covered Bonds. Following service of a CBG Acceleration Notice on the Covered Bond Guarantor, all amounts standing to the credit of the Pre-Maturity Liquidity Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

If the Issuer and/or the Covered Bond Guarantor fully repay the relevant Series of Hard Bullet Covered Bonds on the Maturity Date, the amount standing to the credit of the Pre-Maturity Liquidity Ledger on the Transaction Account shall be applied by the Covered Bond Guarantor in accordance with (prior to the service of a Notice to Pay on the Covered Bond Guarantor) the Pre-Acceleration Principal Priority of Payments and the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments, unless the Issuer is failing the Pre-Maturity Test in respect of any other Series of Hard Bullet Covered Bonds, in which case amounts shall remain credited on the Pre-Maturity Liquidity Ledger to the extent required to provide liquidity for such other Series of Hard Bullet Covered Bonds.

If the breach of the Pre-Maturity Test is remedied, the amount standing to the credit of the Pre-Maturity Liquidity Ledger shall be applied and paid in accordance with (prior to the service of a Notice to Pay on the Covered Bond Guarantor) the Pre-Acceleration Principal Priority of Payments and the Pre-Acceleration

Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments on the next CBG Payment Date.

Failure to satisfy the Pre-Maturity Test in the circumstances set out in Condition 9(a)(vii) will result in the occurrence of an Issuer Event of Default — see Condition 9(a)(vii).

Sale of Selected Loans following a breach of the Pre-Maturity Test

The Pre-Maturity Test will be breached if, prior to the service on the Covered Bond Guarantor of a Notice to Pay, the ratings of the Issuer's unsecured and unsubordinated debt obligations cease to meet specified levels and a Hard Bullet Covered Bond is due for repayment within a specified period of time thereafter, see "*Credit Structure including Asset Tests — Pre-Maturity Liquidity*". If the Pre-Maturity Test is breached prior to service of a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) shall, taking into account amounts standing to the credit of the Pre-Maturity Liquidity Ledger, offer to sell Selected Loans in the Portfolio in accordance with the Establishment Deed (see "*Method of Sale of Selected Loans*") with the intention that the amount standing to the credit of the Pre-Maturity Liquidity Ledger will at least be equal to the Required Redemption Amount of that Series of Hard Bullet Covered Bonds (taking into account the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds), subject to the rights of pre-emption in favour of the Seller to buy the Selected Loans pursuant to the terms of the Mortgage Sale Agreement and/or the Declaration of Assets Trust. In connection with any such sale of Selected Loans (which are CPF Loans), the CBG Beneficiary shall direct the Assets Trustee to accept surrender by the CBG Beneficiary of its beneficial interest in such Selected Loans (which are CPF Loans) which are subject to the Assets Trust to the Seller. If the Issuer fails to repay any Series of Hard Bullet Covered Bonds on the Maturity Date thereof (after expiry of the relevant grace periods), then following service of a Notice to Pay on the Covered Bond Guarantor, the proceeds from any sale of Selected Loans (which are not Top-up Loans) standing to the credit of the Pre-Maturity Liquidity Ledger will be applied to repay the relevant Series of Hard Bullet Covered Bonds. Otherwise, the proceeds will be applied as set out in "*Credit Structure including Asset Tests — Pre-Maturity Liquidity*". The proceeds from any sale of Selected Loans (which are Top-up Loans) will be used to repay any Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Sale of Selected Loans following service of an Asset Coverage Test Breach Notice

After service of an Asset Coverage Test Breach Notice (which has not been revoked) on the Covered Bond Guarantor but prior to service of a Notice to Pay (if the Covered Bond Guarantor has not obtained an Advance or a Subordinated Advance in order to meet the Asset Coverage Test), the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) shall offer to sell Selected Loans in the Portfolio in accordance with the Establishment Deed (see "*Method of Sale of Selected Loans*"), subject to the rights of pre-emption in favour of the Seller to (i) buy the Selected Loans pursuant to the terms of the Mortgage Sale Agreement and/or the Declaration of Assets Trust and (ii) (in relation to Trust Assets) make a cash payment to the Assets Trustee in consideration for the surrender by the CBG Beneficiary of its beneficial interest in the Trust Assets pursuant to the Declaration of Assets Trust. The proceeds from any sale of Selected Loans (which are not Top-up loans) will be credited to the Transaction Account and applied as set out in "*Cashflows and Priorities of Payments — Allocation and Distribution of Available Revenue Receipts and Available Principal Receipts following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked)*". The proceeds from any sale of Selected Loans (which are Top-up Loans) will be used to repay any Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Sale of Selected Loans following service of a Notice to Pay and following service of a CBG Acceleration Notice

After service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a CBG Acceleration Notice, in order to meet its obligations, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may, or to the extent necessary to meet those obligations will, offer to sell Selected Loans in the Portfolio in accordance with the Establishment Deed (see "*Method of Sale of Selected Loans*"), subject to the rights of pre-emption in favour of the Seller to buy the Selected Loans pursuant to the Mortgage Sale Agreement and/or the Declaration of Assets Trust. The proceeds from any sale of Selected Loans (which are not Top-up Loans) will be credited to the Transaction Account and applied as set out in "*Cashflows and Priorities of Payments — Allocation and Distribution of Funds following service of a Notice to Pay*". The proceeds from any sale of Selected Loans (which are Top-up Loans) will be used to repay any Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Following service of a CBG Acceleration Notice on the Covered Bond Guarantor, all amounts standing to the credit of the Pre-Maturity Liquidity Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

Method of Sale of Selected Loans

Following a breach of the Pre-Maturity Test, the service of an Asset Coverage Test Breach Notice (which has not been revoked) or a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or CBG Beneficiary as the case may be), shall ensure that before offering Selected Loans for sale the Selected Loans have an aggregate True Balance in an amount (the "**Required True Balance Amount**") which is as close as possible to the amount calculated as follows:

- (a) following the service of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay, such amount that would ensure that, if the Selected Loans were sold at their True Balance plus the Arrears of Interest and Accrued Interest thereon, the Asset Coverage Test would be satisfied as of the next Calculation Date (as calculated on the related Test Date following such Calculation Date) taking into account the payment obligations of the Covered Bond Guarantor on the CBG Payment Date following that Calculation Date (assuming for this purpose that the Asset Coverage Test Breach Notice is not revoked on or before the related Test Date following the next Calculation Date); or
- (b) following a breach of the Pre-Maturity Test, an amount which is not less than the amount calculated as follows:

$$A = N \times \frac{O - D}{E}$$

where:

- A** is the Required True Balance Amount of the Selected Loans;
- N** is an amount equal to the SGD Equivalent of the Required Redemption Amount of the relevant Series of Hard Bullet Covered Bonds (in respect of which the Pre-Maturity Test has been breached) less amounts standing to the credit of the Pre-Maturity Liquidity Ledger that are not otherwise required to provide liquidity for any Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds;
- O** is the True Balance of all the Loans in the Portfolio;

D is the outstanding balance of the Demand Loan; and

E is the aggregate SGD Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding.

For the avoidance of doubt, if A is zero or a negative number, then no Selected Loans in the Portfolio and their Related Securities need be sold; or

- (c) following service of a Notice to Pay but prior to service of a CBG Acceleration Notice, in relation to a sale to meet the Covered Bond Guarantor's obligations other than in respect of the repayment of the Demand Loan, an amount which is not less than the amount calculated as follows:

$$A = N \times \frac{O - D}{E}$$

where:

A is the Required True Balance Amount of the Selected Loans;

N is an amount equal to the SGD Equivalent of the Required Redemption Amount of the Earliest Maturing Covered Bonds less:

(A) amounts standing to the credit of the Transaction Account and any Authorised Investments or Substitution Assets (excluding all amounts to be applied on the next following CBG Payment Date to pay or repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which have a Maturity Date prior to or on the same date as the relevant Series of Covered Bonds); and

(B) if the Earliest Maturing Covered Bonds are Hard Bullet Covered Bonds, any amount standing to the credit of the Pre-Maturity Liquidity Ledger in respect of those Hard Bullet Covered Bonds;

O is the True Balance of all the Loans in the Portfolio;

D is the outstanding balance of the Demand Loan calculated pursuant to the Intercompany Loan Agreement following the final determination of the Asset Percentage; and

E is the aggregate SGD Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding.

For the avoidance of doubt, if A is zero or a negative number, then no Selected Loans in the Portfolio and their Related Security need be sold.

The Covered Bond Guarantor (in the case of Selected Loans which are Non-CPF Loans) or the Assets Trustee on behalf of the CBG Beneficiary (in the case of Selected Loans which are CPF Loans) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will offer the Selected Loans for sale to Purchasers for the best price reasonably available but in any event:

- (a) following (x) the service of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay or (y) a breach of the Pre-Maturity Test but prior to service of a Notice to Pay, in each case, for an amount not less than the sum of the aggregate True Balance of the Selected Loans; and
- (b) following service of a Notice to Pay, in relation to a sale to meet the Covered Bond Guarantor's obligations other than in respect of the repayment of the Demand Loan, for an amount not less than the sum of the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds.

In respect of any sale of Selected Loans in the Portfolio (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption in accordance with the Mortgage Sale Agreement and/or the Declaration of Assets Trust), the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will either:

- (i) prior to service of a Notice to Pay, appoint any member of the Maybank Group; or
- (ii) following service of a Notice to Pay, through a tender process appoint a portfolio manager, investment bank, bank or other institution or adviser of recognised standing on a basis intended to incentivise it to achieve the best price for the sale of the Selected Loans (if such terms are commercially available in the market),

(in each case, the “**Sale Adviser**”) to advise it in relation to the sale of the Selected Loans to Purchasers (except where the Seller is buying the Selected Loans, in accordance with its right of pre-emption in the Mortgage Sale Agreement and/or the Declaration of Assets Trust).

Following service of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay, if the Covered Bond Guarantor determines (taking into account any advice or recommendations of the Sale Adviser) that it is unlikely that the Selected Loans will be able to be sold for such an amount, or that it is unlikely that a sale of the Selected Loans for such an amount will be able to be effected in time to enable the Asset Coverage Test to be satisfied as of the next Calculation Date, then the Covered Bond Guarantor and/or the Assets Trustee (on behalf of the Covered Bond Guarantor) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may:

- (i) sell additional Selected Loans; and/or
- (ii) offer the Selected Loans and the additional Selected Loans for the best price possible (in accordance with the recommendations of the Sale Adviser).

Following a breach of the Pre-Maturity Test but prior to service of a Notice to Pay, if Selected Loans have not been sold (in whole or in part) for an amount not less than the price described in (a) above by the date which is three months prior to the date by which the Pre-Maturity Liquidity Ledger must be funded in order to prevent an Issuer Event of Default in accordance with Condition 9(a)(vii), and the Pre-Maturity Liquidity Ledger is not otherwise funded (see “*Credit Structure including Asset Tests — Pre-Maturity Liquidity*”), then the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will offer the Selected Loans for sale at the best price reasonably obtainable in accordance with the advice of the Sale Adviser (if applicable).

Following service of a Notice to Pay, if the Selected Loans have not been sold (in whole or in part) for an amount not less than the amount described in paragraph (b) above by the date which is six months prior to, as applicable: (i) in respect of Earliest Maturing Covered Bonds that are Hard Bullet Covered Bonds in respect of the Covered Bond Guarantee, the Maturity Date of the Earliest Maturing Covered Bonds; or (ii) in respect of Earliest Maturing Covered Bonds that are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee, the Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds, then the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will offer the Selected Loans for sale for the best price reasonably available notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

Following service of a Notice to Pay, in addition to offering Selected Loans for sale to Purchasers in respect of the Earliest Maturing Covered Bonds, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor

or the CBG Beneficiary, as the case may be) may (subject to the right of pre-emption in favour of the Seller in the Mortgage Sale Agreement and/or the Declaration of Assets Trust) offer for sale an additional portfolio of Selected Loans in respect of other Series of Covered Bonds.

The Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) is permitted to offer for sale to Purchasers part of any portfolio of Selected Loans (a “**Partial Portfolio**”). Where a Notice to Pay has been served, except in circumstances where the portfolio of Selected Loans is being sold for a price less than the price described in (a) or (b) above, the sale price of the Partial Portfolio (as a proportion of the Adjusted Required Redemption Amount) shall be at least equal to the proportion that the Partial Portfolio bears to the relevant portfolio of Selected Loans.

The terms of any sale and purchase agreement with respect to the sale of Selected Loans (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption under the Mortgage Sale Agreement and/or the Declaration of Assets Trust) will be subject to obtaining a Rating Agency Confirmation in respect of such sale and the relevant sale and purchase agreement will:

- (i) not include any representations and warranties from the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Seller unless expressly agreed by the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) and the Seller, as the case may be (each acting in its discretion); and
- (ii) require a cash payment from the Relevant Purchasers in immediately available funds on or prior to the date of sale of the Selected Loans.

The sale of Selected Loans which are Non-CPF Loans and their Related Security (see above in relation to Converted Loans) will require a notice of assignment to be given by the Seller to the Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty and the Non-CPF Loans and their Related Security are transferred by the Seller to the Covered Bond Guarantor and, where applicable, registered with the appropriate authority(ies).

In respect of Selected Loans which are CPF Loans, where legal title is required to be transferred to a Purchaser, the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to obtain the Requisite CPF Loan Legal Title Transfer Approvals (unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required). Prior to any Requisite CPF Loan Legal Title Transfer Approvals being obtained and unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals set out in paragraphs (a) to (c) of the definition of such term to the extent necessary to effect such transfer. Please see the section “*Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*”.

Following any sale of Selected Loans which are CPF Loans and surrender to the Seller of the CBG Beneficiary’s beneficial interest therein, the Assets Trustee shall also, in accordance with the terms and conditions of the Declaration of Assets Trust, make a Distribution to the CBG Beneficiary. Following such Distribution, the relevant Selected Loans will, pursuant to and in accordance with the terms of the Declaration of Assets Trust, cease to be Trust Assets. Converted Loans shall be excluded from any sale of Selected Loans.

Sale of Top-up Loans

In the event of any sale (or surrender of its interest, as the case may be) of Loans (including Defaulted Loans and Selected Loans) and their Related Security by the Covered Bond Guarantor or the Assets Trustee on behalf of the CBG Beneficiary, any related Top-up Loans shall be offered for sale as part of the same offer (such Loans, Related Security and related Top-up Loans which are being sold being referred

to as the “**Single Mortgage Bundle**”). The Covered Bond Guarantor or the Assets Trustee (on behalf of the CBG Beneficiary) will identify any such related Top-up Loans in the relevant Loan Repurchase Notice, Defaulted Loans Notice or Selected Loans Offer Notice.

Where such Top-up Loans are sold (or interest surrendered, as the case may be) to the Seller, the purchase price for such Top-up Loans will be an amount as determined in accordance with the Declaration of Assets Trust and the Mortgage Sale Agreement. Where the Seller and the Ancillary Intercompany Loan Provider are the same entity and title to the Top-up Loans has not been perfected, the Covered Bond Guarantor’s rights, estate, title, interests, benefits and remedies or the CBG Beneficiary’s rights, estate, title, interests, benefits and remedies (as the case may be) to such Top-up Loans will be reassigned or released and surrendered (as the case may be) such that they vest completely in favour of the Ancillary Intercompany Loan Provider, in each case, free from the Security Interest created by the Singapore Deed of Charge.

Where such Top-up Loans are sold to a Purchaser who is not the Seller, the purchase price for such Top-up Loans will be an amount equal to the purchase price for the Single Mortgage Bundle less the purchase price for the Loans comprised in the Single Mortgage Bundle as agreed among the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) and the Purchaser at the point of the sale.

The proceeds from any sale of Top-up Loans will be used to repay Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Limit on investing in Substitution Assets and Authorised Investments

Prior to the service of an Asset Coverage Test Breach Notice (which has not been revoked) or a Notice to Pay or CBG Acceleration Notice on the Covered Bond Guarantor or following revocation of an Asset Coverage Test Breach Notice, the Cash Manager on behalf of the Covered Bond Guarantor will be permitted to invest Available Revenue Receipts, Available Principal Receipts and the proceeds of Advances and Subordinated Advances standing to the credit of the CBG Accounts in Substitution Assets, *provided that* such investments are made in accordance with the terms of the Cash Management Agreement and do not contravene or result in the contravention of MAS Notice 648, as amended from time to time and/or such other notices, regulations and rules which may be introduced by the MAS from time to time. Depositing any amounts in any CBG Account will not constitute an investment in Substitution Assets for these purposes.

Following service of an Asset Coverage Test Breach Notice (which has not been revoked) or a Notice to Pay on the Covered Bond Guarantor, all Substitution Assets may be sold by the Covered Bond Guarantor (or the Cash Manager on its behalf) at the best price possible taking into account market conditions at that time and the nature of the Substitution Assets and the proceeds credited to the Transaction Account.

The Cash Manager on behalf of the Covered Bond Guarantor may at any time (including both prior to and following service of a Notice to Pay) invest some or all available funds in Authorised Investments, *provided that* such investments are made in accordance with the terms of the Cash Management Agreement and do not contravene or result in the contravention of MAS Notice 648, as amended or replaced from time to time and/or such other notices, regulations and rules which may be introduced by the MAS from time to time.

Other provisions

The allocation and distribution of Revenue Receipts, Principal Receipts and all other amounts received by the Covered Bond Guarantor is described under “*Cashflows and Priorities of Payments*”.

The Establishment Deed is governed by Singapore law.

CASH MANAGEMENT AGREEMENT

The Cash Manager will provide certain cash management services to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the All Monies Trustee and the Security Trustee pursuant to the terms of the Cash Management Agreement entered into on 19 March 2024 (as amended, restated, supplemented or novated from time to time) among, *inter alios*, the Covered Bond Guarantor, the CBG Beneficiary, the Corporate Services Provider, the Issuer in its capacities as the Seller, the Assets Trustee, the Servicer and the Cash Manager and the Security Trustee and Bond Trustee.

The Cash Manager's services include, but are not limited to:

- (a) maintaining the Ledgers on behalf of the Covered Bond Guarantor and the Assets Trustee;
- (b) making an Additional Contribution to the Assets Trustee to acquire New Loans (which are CPF Loans) and their Related Security (and any related Top-up Loans) from the Seller pursuant to the terms of the Declaration of Assets Trust;
- (c) maintaining records of all Authorised Investments and/or Substitution Assets, as applicable;
- (d) distributing the Revenue Receipts and the Principal Receipts in accordance with the Priorities of Payments (described under "*Cashflows and Priorities of Payments*");
- (e) determining whether the Asset Coverage Test is satisfied on each Test Date (as of the immediately preceding Calculation Date) in accordance with the Establishment Deed, as more fully described under "*Credit Structure including Asset Tests — Asset Coverage Test*";
- (f) determining whether the Amortisation Test is satisfied on each Test Date (as of the immediately preceding Calculation Date) following an Issuer Event of Default in accordance with the Establishment Deed, as more fully described under "*Credit Structure including Asset Tests — Amortisation Test*";
- (g) on each Singapore Business Day, determining whether the Pre-Maturity Test for each Series of Hard Bullet Covered Bonds is satisfied, as more fully described under "*Credit Structure including Asset Tests — Pre-Maturity Liquidity*";
- (h) providing the Asset Monitor with all necessary information to allow it to comply with its obligations under the Asset Monitor Agreement;
- (i) making the calculations and determinations required by the Intercompany Loan Agreement; and
- (j) preparation of Investor Reports for, amongst others, the Covered Bondholders, the Rating Agencies and the Bond Trustee.

Pursuant to the terms of the Cash Management Agreement, the Cash Manager has delegated the performance of certain of its duties to the Corporate Services Provider.

In the performance of such duties, the Corporate Services Provider shall act in accordance with the standards applicable to the Cash Manager and shall be liable for the performance of such duties in accordance with the same standard of liability applicable to the Cash Manager. The Cash Manager shall not be liable for the performance of such duties by the Corporate Services Provider. Such delegation may be varied or terminated at any time by the Cash Manager.

In certain circumstances, the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary), the CBG Beneficiary, the All Monies Trustee and the Security Trustee will each have the right to terminate the appointment of the Cash Manager in which event each of the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary), the CBG Beneficiary and the All Monies Trustee will use its reasonable endeavours to appoint a substitute. The termination will only take effect once the substitute has been appointed. Any substitute cash manager

will have substantially the same rights and obligations as the Cash Manager (although the fee payable to the substitute cash manager may be higher).

Pursuant to the terms of the Cash Management Agreement, the Cash Manager is not liable for a failure to perform its obligations and shall be relieved from its obligations if it is rendered unable to carry out its obligations due to circumstances beyond its control, such as electricity power cuts, earthquakes, storms or acts of God.

The Cash Management Agreement is governed by Singapore law.

The Covered Bond Guarantor will pay a monthly fee to the Cash Manager and will reimburse the Cash Manager for all its costs and expenses properly incurred in acting as Cash Manager, as applicable. Any remuneration, costs and expenses paid by the Covered Bond Guarantor to the Cash Manager shall be paid subject to and in accordance with Pre-Acceleration Revenue Priority of Payments, the Guarantee Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

SUBORDINATED LOAN AGREEMENT

From time to time, the Issuer as subordinated loan provider (the “**Subordinated Loan Provider**”) may make Subordinated Advances to the Covered Bond Guarantor and the CBG Beneficiary (the “**Subordinated Loan Facility**”).

Except for Deemed Subordinated Advances (see below), the Subordinated Loan Facility is uncommitted and the Subordinated Loan Provider is not obliged to make Subordinated Advances to the Covered Bond Guarantor and the CBG Beneficiary and may elect to make or decline the requested Subordinated Advances in its absolute discretion.

Each Subordinated Advance (except for Deemed Subordinated Advances) must be used by the Covered Bond Guarantor or, as the case may be, the CBG Beneficiary:

- (a) to purchase New Loans which are Non-CPF Loans and their Related Security from the Seller, from time to time in accordance with the terms of the Mortgage Sale Agreement; and/or
- (b) towards Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust; and/or
- (c) to invest in Authorised Investments and/or Substitution Assets in each case in accordance with the Establishment Deed; and/or
- (d) to make a deposit of the proceeds in the Transaction Account (including, without limitation, to fund the Reserve Fund and/or the Pre-Maturity Liquidity Ledger, in each case in accordance with the Establishment Deed); and/or
- (e) for any other purpose if the Intercompany Loan Facility Amount has been exceeded.

Where amounts are not able to constitute Deemed Advances under the Intercompany Loan Agreement because the Deemed Advance Preconditions are not satisfied, they will constitute “**Deemed Subordinated Advances**”.

The Cash Manager may request Subordinated Advances on behalf of the Covered Bond Guarantor and the CBG Beneficiary in order to enable the Covered Bond Guarantor and the CBG Beneficiary to meet their respective obligations under the Transaction Documents.

The Subordinated Loan will bear interest as set out in the Subordinated Loan Agreement.

The Covered Bond Guarantor and the CBG Beneficiary will make repayments to the Subordinated Loan Provider on each CBG Payment Date if, and to the extent that, no Asset Coverage Test Breach Notice (which has not been revoked), Notice to Pay or CBG Acceleration Notice has been served on it and there are sufficient Available Principal Receipts and Available Revenue Receipts to make such payment in accordance with the applicable Priority of Payments. The Subordinated Loan will be subordinated to, *inter alia*, payments of principal and interest on the Intercompany Loan and the Covered Bond Guarantee, and all other payments or provisions ranking in priority to payments to be made to the Subordinated Loan Provider, in each case in accordance with the applicable Priorities of Payments.

The Subordinated Loan Agreement is governed by Singapore law.

ANCILLARY INTERCOMPANY LOAN AGREEMENT

Deemed Ancillary Intercompany Loan Advances will arise under the Ancillary Intercompany Loan Agreement if:

- (i) the CBG Beneficiary acquires an interest in a Top-up Loan in connection with a CPF Loan in the Portfolio or in connection with the acquisition of a CPF Loan and its Related Security under the terms of the Declaration of Assets Trust and such Top-up Loan is subject to the Assets Trust; and/or
- (ii) a Top-up Loan is sold and assigned by the Seller to the Covered Bond Guarantor in connection with a Non-CPF Loan in the Portfolio or in connection with the acquisition of a Non-CPF Loan and its Related Security in accordance with the terms of the Mortgage Sale Agreement; and/or
- (iii) as at any Calculation Date, there is an increase in the outstanding balance of a Top-up loan referred to in (i) or (ii) above.

Top-up Loans (and proceeds from the sale thereof) and Top-up Receipts will not form part of the cashflows or assets that are applied by the Covered Bond Guarantor or the Security Trustee in accordance with any Priorities of Payments.

Repayment of the Ancillary Intercompany Loan

The outstanding principal amount of the Ancillary Intercompany Loan at any time will equal the aggregate amount of Deemed Ancillary Intercompany Loan Advances minus the sum of any repayments. The Covered Bond Guarantor and the CBG Beneficiary will make repayments to the Ancillary Intercompany Loan Provider on each CBG Payment Date. The Ancillary Intercompany Loan will be repayable (from Top-up Receipts and/or proceeds from the sale of Top-up Loans) outside the Priorities of Payments.

The Ancillary Intercompany Loan Agreement is governed by Singapore law.

INTEREST RATE SWAP AGREEMENT(S)

An Interest Rate Swap may be entered into by the Covered Bond Guarantor with an Interest Rate Swap Provider (if any) in order to provide a hedge against possible variances between the interest revenues received by the Covered Bond Guarantor on Fixed Rate Loans in the Portfolio and some or all of the interest amounts payable under (following the service of a Notice to Pay on the Covered Bond Guarantor) the Covered Bond Swap Agreement (or, if no Covered Bond Swap is in place, the Covered Bonds). The Covered Bond Guarantor may from time to time enter into an Interest Rate Swap Agreement with any Interest Rate Swap Provider and may from time to time enter into an Interest Rate Swap under any such Interest Rate Swap Agreement. If an Interest Rate Swap is entered into under an Interest Rate Swap Agreement, the Covered Bond Guarantor and the Interest Rate Swap Provider shall agree under the terms of such Interest Rate Swap to swap the amount of interest received by the Covered Bond Guarantor in respect of the Fixed Rate Loans in the Portfolio (other than interest received in respect of Defaulted Loans, Top-up Loans and Loans with unremedied or unwaived missed payments) in exchange for an amount

sufficient to pay the relevant portion of the amounts payable by the Covered Bond Guarantor (following the service of a Notice to Pay on the Covered Bond Guarantor) under the Covered Bond Swap Agreement (or, if no Covered Bond Swap is in place, the Covered Bonds), which will include a spread component (the “**IRS Spread**”) that the Covered Bond Guarantor (at the direction of the Cash Manager) and the Interest Rate Swap Provider may agree in writing from time to time (including, but not limited to, on a monthly basis), provided that the IRS Spread will be subject to the following spread determination procedure: at any time when it is proposed that (i) any Loan shall be sold or any beneficial interest of the CBG Beneficiary in any Loan surrendered by the Assets Trustee (other than a Loan repurchased by the Seller as a result of a breach of representation or warranty made with respect to such Loan in the Mortgage Sale Agreement) or (ii) any New Loan shall be acquired by the Covered Bond Guarantor and included in the Asset Pool or any New Loans which are CPF Loans and their Related Security (and any related Top-up Loans) and are contributed to the Assets Trust (such that the CBG Beneficiary acquires the beneficial interest therein) (each, a “**Mortgage Pool Adjustment**”), the Covered Bond Guarantor (or the Servicer or the Cash Manager on its behalf) shall request the Interest Rate Swap Provider to determine promptly (and in any event within the time period prescribed in the terms of the relevant Interest Rate Swap) the amount (if any) by which the IRS Spread would change as a result of such Mortgage Pool Adjustment (such revised IRS Spread, the “**Adjusted Spread**”). Following notification of the Adjusted Spread, the Covered Bond Guarantor (at the direction of the Cash Manager) shall determine whether to proceed with the proposed Mortgage Pool Adjustment and with effect from and including the date on which any Mortgage Pool Adjustment is completed, the IRS Spread shall be the related Adjusted Spread (provided that the failure by the Interest Rate Swap Provider to provide notification of the Adjusted Spread within the prescribed time period will result in the Adjusted Spread being deemed to be the same as the IRS Spread that applied immediately prior to the proposed Mortgage Pool Adjustment.). An Interest Rate Swap (if entered into) will further provide that no Mortgage Pool Adjustment may be made if the aggregate of (a) the amounts payable by the Interest Rate Swap Provider under the Interest Rate Swap and (b) the Revenue Receipts in respect of all loans other than Fixed Rate Loans, would be less than the aggregate of (i) the interest amounts payable by the Covered Bond Guarantor under all outstanding Covered Bond Swaps and (ii) such additional amount (if any) (being a percentage rate per annum) that the Covered Bond Guarantor (or the Cash Manager on its behalf) may in writing determine.

The notional amount of the Interest Rate Swap (if any) entered into under the relevant Interest Rate Swap Agreement will be equal to the True Balance of the Fixed Rate Loans in the Portfolio comprising the aggregate outstanding principal amount of any Non-CPF Loans and their Related Security and all interests in the Assets Trust including the aggregate outstanding principal amount of any CPF Loans and their Related Security (excluding Defaulted Loans, Selected Loans which have been disposed of by the Covered Bond Guarantor, Top-up Loans and Loans with unremedied or unwaived missed payments) in respect of the Calculation Period ending immediately prior to the relevant Interest Rate Swap payment date. The scheduled termination date of the Interest Rate Swap (if any) will be the date on which the aggregate principal balance of all Loans held by the Covered Bond Guarantor is reduced to zero.

In the event that the relevant rating(s) of an Interest Rate Swap Provider (if any), or any guarantor, as applicable, is or are, as applicable, downgraded by a Rating Agency below the rating(s) specified in the relevant Interest Rate Swap Agreement (in accordance with the expectations of that Rating Agency) for such Interest Rate Swap Provider, and, where applicable, as a result of the downgrade, the then current rating(s) of the Covered Bonds would or may, as applicable, be adversely affected, such Interest Rate Swap Provider will be required to take certain remedial measures which may include providing collateral for its obligations, arranging for its obligations to be transferred to an entity with the rating(s) expected by the relevant Rating Agency to ensure that the then current rating(s) (or maximum supported rating(s), as applicable) of the Covered Bonds would not be downgraded, or procuring another entity with the rating(s) expected by the relevant Rating Agency to become guarantor or co-obligor in respect of its obligations under the relevant Interest Rate Swap Agreement. The relevant Rating Agency will be notified by the parties to the relevant Interest Rate Swap Agreement of any such remedial actions. A failure to take such

steps will allow the Covered Bond Guarantor to terminate the Interest Rate Swap (if any) under the relevant Interest Rate Swap Agreement.

Additionally, an Interest Rate Swap (if any) may also be terminated in certain other circumstances (each referred to as an “**Interest Rate Swap Early Termination Event**”), including:

- (a) at the option of either party to the relevant Interest Rate Swap Agreement, if there is a failure by the other party to pay any amounts due under such Interest Rate Swap (if any) and such failure is not remedied on or before the third Business Day after notice of such failure is given to the party;
- (b) at the option of the Covered Bond Guarantor, if there is a failure by the relevant Interest Rate Swap Provider (if any) to perform any agreement or obligation (other than an obligation under (a) above) in accordance with the relevant Interest Rate Swap Agreement and such failure is not remedied within 30 calendar days of a notice of such failure being given to the Interest Rate Swap Provider;
- (c) at the option of the Covered Bond Guarantor, if there is a misrepresentation by the relevant Interest Rate Swap Provider (if any) as set out in the relevant Interest Rate Swap Agreement;
- (d) if there is a change in law which results in the illegality of the obligations to be performed by either party under the relevant Interest Rate Swap Agreement;
- (e) at the option of the relevant Interest Rate Swap Provider (if any), if any of the Priorities of Payments is amended without the prior written consent of the relevant Interest Rate Swap Provider (if any) such that the Covered Bond Guarantor's obligations to the relevant Interest Rate Swap Provider (if any) under the relevant Interest Rate Swap Agreement are further contractually subordinated to the Covered Bond Guarantor's obligations to any other Secured Creditor than they were as of the date of the relevant Interest Rate Swap Agreement;
- (f) upon the occurrence of the insolvency of the relevant Interest Rate Swap Provider (if any), or any guarantor and certain insolvency-related events in respect of the Covered Bond Guarantor;
- (g) upon the merger of the relevant Interest Rate Swap Provider (if any) without an assumption of all of its obligations under the relevant Interest Rate Swap Agreement;
- (h) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments under the Interest Rate Swap (if any); or
- (i) upon the service by the Bond Trustee of a CBG Acceleration Notice on the Covered Bond Guarantor.

Upon the termination of the relevant Interest Rate Swap (if any) pursuant to an Interest Rate Swap Early Termination Event, the Covered Bond Guarantor or the relevant Interest Rate Swap Provider (if any) may be liable to make a termination payment to the other party in accordance with the provisions of the relevant Interest Rate Swap Agreement.

Any Swap Collateral Excluded Amounts will be paid to the Interest Rate Swap Provider (if any) directly and not via the Priorities of Payments.

If withholding taxes are imposed on payments made by the relevant Interest Rate Swap Provider (if any) under the relevant Interest Rate Swap Agreement, the relevant Interest Rate Swap Provider (if any) shall always be obliged to gross up these payments. If withholding taxes are imposed on payments made by the Covered Bond Guarantor to the relevant Interest Rate Swap Provider (if any) under the relevant Interest Rate Swap Agreement, the Covered Bond Guarantor shall not be obliged to gross up those payments.

The notional amount of the Interest Rate Swap (if any) will be equal to the sum of the True Balance of all Fixed Rate Loans in the Portfolio on each day of the relevant calculation period and will exclude those Selected Loans which have been disposed of with effect from such date, including any sale of Selected

Loans (or transfer of Demand Loan Repayment Assets, as applicable) in accordance with the Transaction Documents following any of (i) the service of an Asset Coverage Test Breach Notice (which has not been revoked), (ii) the service of a Notice to Pay, (iii) the occurrence of a Demand Loan Repayment Event or (iv) the Intercompany Loan Provider otherwise demanding that the Demand Loan be repaid. In addition, the Interest Rate Swap Agreement provides that in the event the Covered Bond Guarantor or the Security Trustee sells or agrees to sell Loans in the Portfolio which are Fixed Rate Loans following the service of an Asset Coverage Test Breach Notice or following the service of a Notice to Pay or the Covered Bond Guarantor transfers Demand Loan Repayment Assets which are Fixed Rate Loans to the Intercompany Loan Provider following a demand under the Intercompany Loan Agreement or a Demand Loan Repayment Event has occurred, the Interest Rate Swap Provider may either:

- (a) by written notice given not more than 20 and not less than 3 Local Business Days in advance of the date of the relevant sale, specifying the date of sale, to the Covered Bond Guarantor, amend the terms of any relevant Interest Rate Swap (if any) so that, with effect from the date of the relevant sale, the outstanding principal balance of the Loans which are Fixed Rate Loans being sold shall be excluded from the notional of such Interest Rate Swap, and swap termination payments (being a partial termination payment), calculated in accordance with the terms of the Interest Rate Swap Agreement, may be due and payable in accordance with the terms of the Interest Rate Swap Agreement as a consequence thereof; or
- (b) with the prior written consent of the Covered Bond Guarantor, partially novate the relevant Interest Rate Swap (if any) to the purchaser of such Selected Loans which are Fixed Rate Loans, such that such purchaser will become party to a separate interest rate swap transaction with the Interest Rate Swap Provider.

Any termination payment made by an Interest Rate Swap Provider (if any) to the Covered Bond Guarantor in respect of the relevant Interest Rate Swap (if any) will first be used to the extent necessary (prior to the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or the realisation of the Security) to pay a replacement Interest Rate Swap Provider to enter into a replacement Interest Rate Swap Agreement with the Covered Bond Guarantor, unless a replacement Interest Rate Swap Agreement has already been entered into on behalf of the Covered Bond Guarantor. Any premium received by the Covered Bond Guarantor from a replacement Interest Rate Swap Provider in respect of a replacement Interest Rate Swap Agreement will first be used to make any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Interest Rate Swap under the relevant Interest Rate Swap Agreement, unless such termination payment has already been made on behalf of the Covered Bond Guarantor.

Under each Interest Rate Swap Agreement, the Covered Bond Guarantor's obligations are limited in recourse to the Charged Property.

Each Interest Rate Swap Agreement will be governed by English law.

COVERED BOND SWAP AGREEMENT

To provide a hedge against currency and/or interest rate risks in respect of amounts received by the Covered Bond Guarantor under the Loans and the Interest Rate Swap (if any) and amounts payable or that may become payable in respect of its obligations under the Covered Bond Guarantee, the Covered Bond Guarantor will enter into the Covered Bond Swap Agreement (on or prior to the first issuance of Covered Bonds under the Programme in respect of which the Covered Bond Guarantor is required to enter into such a swap) with the Covered Bond Swap Provider and may enter into one or more new schedules and confirmations thereunder for each Series and/or Tranche of Covered Bonds at the time such Covered Bonds are issued. To the extent required by the terms of the Covered Bond Swaps, the Covered Bond

Swap Provider and the Covered Bond Guarantor will agree to swap SGD Equivalent amounts into foreign currency amounts reflecting the amounts payable under the relevant Series and/or Tranche of Covered Bonds. No cashflows will be exchanged under the Covered Bond Swap Agreement (and the swaps thereunder will not become effective) unless and until the service of a Notice to Pay on the Covered Bond Guarantor.

If an Extended Due for Payment Date is specified as applicable in the Pricing Supplement for a Series of Covered Bonds and, prior to the Maturity Date in respect of the relevant Series and/or Tranche of Covered Bonds or (if the payment of the amount corresponding to the Final Redemption Amount or any part of it by the Covered Bond Guarantor under the Covered Bond Guarantee is deferred until the relevant Extended Due for Payment Date pursuant to Condition 5(a) (Redemption by Instalments and Final Redemption)) any Business Day (as defined pursuant to the terms of the Covered Bond Swap) during the period (if any) commencing on, but excluding, the Maturity Date to, and including, the Extension Determination Date or any Interest Payment Date thereafter up to (and including) the relevant Extended Due for Payment Date, the Covered Bond Guarantor (or the Cash Manager on the Covered Bond Guarantor's behalf) notifies (pursuant to the terms of the Covered Bond Swap) the relevant Covered Bond Swap Provider of the amount in the Specified Currency to be paid by the Covered Bond Swap Provider on such Maturity Date, Business Day or Interest Payment Date (such amount being equal to the Final Redemption Amount or the relevant portion thereof payable by the Covered Bond Guarantor on such Maturity Date, Business Day or Interest Payment Date under the Covered Bond Guarantee in respect of the relevant Series and/or Tranche of Covered Bonds), the Covered Bond Swap Provider will pay the Covered Bond Guarantor such amount and the Covered Bond Guarantor will pay the Covered Bond Swap Provider the SGD Equivalent of such amount. Further, if on any day an Early Redemption Amount is payable pursuant to Condition 5(c) (Redemption for Taxation Reasons), 5(d) (Redemption at the Option of the Issuer), 5(e) (Redemption due to Illegality), (if required) the Covered Bond Swap Provider will pay the Covered Bond Guarantor such amount (or the relevant portion thereof) and the Covered Bond Guarantor will pay the Covered Bond Swap Provider the SGD Equivalent thereof, following which the notional amount of the relevant Covered Bond Swaps will reduce accordingly.

Each Covered Bond Swap will terminate on the Maturity Date of the related Series and/or Tranche of Covered Bonds or, if the Covered Bond Guarantor has not notified the Covered Bond Swap Provider on or prior (as applicable) to such Maturity Date of its intention to pay in full Guaranteed Amounts corresponding to the Final Redemption Amount, on the final Interest Payment Date on which an amount representing the Final Redemption Amount of the related Series and/or Tranche of Covered Bonds is paid (but in any event not later than the Extended Due for Payment Date).

Under the terms of each Covered Bond Swap Agreement, in the event that the relevant rating(s) of the Covered Bond Swap Provider, or any guarantor, as applicable, is or are, as applicable, downgraded by a Rating Agency below the rating(s) specified in the relevant Covered Bond Swap Agreement (in accordance with the expectations of that Rating Agency) for the Covered Bond Swap Provider, and, where applicable, as a result of the downgrade, the then current rating(s) of the Covered Bonds would or may, as applicable, be adversely affected, the Covered Bond Swap Provider will, in accordance with the relevant Covered Bond Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Covered Bond Swap Agreement, arranging for its obligations under the Covered Bond Swap Agreement to be transferred to an entity with the rating(s) expected by the relevant Rating Agency to ensure that the then current rating(s) (or maximum supported rating(s), as applicable) of the Covered Bonds would not be downgraded or procuring another entity with the rating(s) expected by the relevant Rating Agency to become guarantor or co-obligor in respect of its obligations under the Covered Bond Swap Agreement. The relevant Rating Agency will be notified by the parties to the relevant Covered Bond Swap Agreement of any such remedial actions. A failure to take such steps will allow the Covered Bond Guarantor to terminate the Covered Bond Swaps entered into under that Covered Bond Swap Agreement.

A Covered Bond Swap may also be terminated in certain other circumstances (each referred to as a **“Covered Bond Swap Early Termination Event”**), including:

- (a) at the option of either party to the Covered Bond Swap Agreement, if there is a failure by the other party to pay any amounts due under such Covered Bond Swap and such failure is not remedied on or before the third Business Day after notice of such failure is given to the party;
- (b) at the option of the Covered Bond Guarantor, if there is a failure by the Covered Bond Swap Provider to perform any agreement or obligation (other than an obligation under (a) above) in accordance with the Covered Bond Swap Agreement and such failure is not remedied within 30 calendar days of a notice of such failure being given to the Covered Bond Swap Provider;
- (c) at the option of the Covered Bond Guarantor, if there is a misrepresentation by the Covered Bond Swap Provider as set out in the Covered Bond Swap Agreement;
- (d) if there is a change in law which results in the illegality of the obligations to be performed by either party under the Covered Bond Swap Agreement;
- (e) at the option of the Covered Bond Swap Provider, if any of the Priorities of Payments is amended without the prior written consent of the Covered Bond Swap Provider such that the Covered Bond Guarantor’s obligations to the Covered Bond Swap Provider under the Covered Bond Swap Agreement are further contractually subordinated to the Covered Bond Guarantor’s obligations to any other Secured Creditor than they were as of the date of the Covered Bond Swap Agreement;
- (f) upon the occurrence of the insolvency of the relevant Covered Bond Swap Provider or any guarantor, and certain insolvency-related events in respect of the Covered Bond Guarantor;
- (g) upon the merger of the Covered Bond Swap Provider without an assumption of all of its obligations under the relevant Covered Bond Swap Agreement;
- (h) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments under a Covered Bond Swap;
- (i) upon the service by the Bond Trustee of a CBG Acceleration Notice on the Covered Bond Guarantor; or
- (j) upon the redemption and/or cancellation, in whole or in part, of the related Series of Covered Bonds (and such termination will be in part or full as necessary).

Upon the termination of a Covered Bond Swap Agreement, the Covered Bond Guarantor or the relevant Covered Bond Swap Provider may be liable to make a termination payment to the other party in accordance with the provisions of the relevant Covered Bond Swap Agreement. The amount of this termination payment will be calculated and made in Singapore dollars.

Any termination payment made by the Covered Bond Swap Provider to the Covered Bond Guarantor in respect of a Covered Bond Swap Agreement will first be used to the extent necessary (prior to the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or realisation of the Security) to pay a replacement Covered Bond Swap Provider (or replacement Covered Bond Swap Providers) to enter into a replacement Covered Bond Swap with the Covered Bond Guarantor, unless a replacement Covered Bond Swap (or replacement Covered Bond Swaps) has already been entered into on behalf of the Covered Bond Guarantor. Any premium received by the Covered Bond Guarantor from a replacement Covered Bond Swap Provider in respect of a replacement Covered Bond Swap will first be used to make any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Covered Bond Swap under the relevant Covered Bond Swap Agreement, unless such termination payment has already been made on behalf of the Covered Bond Guarantor.

Any Swap Collateral Excluded Amounts will be paid to the Covered Bond Swap Provider directly and not via the Priorities of Payments.

If withholding taxes are imposed on payments made by any Covered Bond Swap Provider to the Covered Bond Guarantor under a Covered Bond Swap Agreement, such Covered Bond Swap Provider shall always be obliged to gross up those payments. If withholding taxes are imposed on payments made by the Covered Bond Guarantor to the Covered Bond Swap Provider under a Covered Bond Swap Agreement, the Covered Bond Guarantor shall not be obliged to gross up those payments.

In the event that the Covered Bonds are redeemed and/or cancelled in accordance with the Conditions (other than in accordance with Condition 5(a) (Redemption by Instalments and Final Redemption)), a Covered Bond Swap Early Termination Event as described in sub-paragraph (j) above will occur and the Covered Bond Swap(s) in connection with such Covered Bonds will terminate or partially terminate, as the case may be. Swap termination payments (or partial termination payments) calculated in accordance with the terms of the Covered Bond Swap(s) may be due and payable in accordance with the terms of the relevant Covered Bond Swap(s) as a consequence thereof.

Under the Covered Bond Swap Agreement, the Covered Bond Guarantor's obligations are limited in recourse to the Charged Property.

The Covered Bond Swap Agreement will be governed by English law.

BANK ACCOUNT AGREEMENT

Pursuant to the terms of the Bank Account Agreement entered into on 19 March 2024 (as amended, restated, supplemented or novated from time to time) among, *inter alios*, the Covered Bond Guarantor, the Account Bank, the Cash Manager and the Security Trustee, the Covered Bond Guarantor will maintain with the Account Bank the Transaction Account, which will be operated in accordance with the Bank Account Agreement, the Cash Management Agreement, the Establishment Deed and the Singapore Deed of Charge. On each CBG Payment Date, as applicable, amounts required to meet the Covered Bond Guarantor's various creditors will be transferred to the Payment Ledger on the Transaction Account and applied by the Cash Manager in accordance with the Priorities of Payments (see "*Cashflows and Priorities of Payments*"). The Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the All Monies Trustee, the All Monies Beneficiaries and the Cash Manager may, upon written notice to the Account Bank and the Security Trustee, terminate the appointment of the Account Bank if either of the following matters occur:

- (a) if a deduction or withholding for or on account of any Tax is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any CBG Account; or
- (b) if the Account Bank breaches its obligations under the Bank Account Agreement, the Singapore Deed of Charge or any other Transaction Document to which the Account Bank is a party, *provided that* termination following such breach would not adversely affect the then ratings of the Covered Bonds,

and the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the All Monies Trustee, the All Monies Beneficiaries and the Cash Manager must, upon written notice to the Account Bank and the Security Trustee, terminate the appointment of the Account Bank if either of the following matters occur:

- (i) if the Account Bank ceases to be rated the Account Bank Required Ratings and, within 30 days of such occurrence, (A) the Covered Bond Guarantor does not close the Transaction Account, the Swap Collateral Account and the CBG Trust Account and open replacement accounts with a financial institution (x) having the Account Bank Required Ratings and (y) being a person which holds all requisite licences or authorisations to perform the obligations of the Account Bank under

the Bank Account Agreement, including, without limitation, a bank licence under the Banking Act; or (B) the Account Bank does not obtain a guarantee of its obligations under the Bank Account Agreement from a financial institution having equal to or above the Account Bank Required Ratings (in each case, *provided that* a Rating Agency Confirmation is obtained); or

- (ii) if an Insolvency Event occurs in respect of the Account Bank.

In the event the Transaction Account, the Swap Collateral Account and/or the CBG Trust Account is closed and a replacement account or accounts are opened with a replacement account bank, the Account Bank will use reasonable endeavours to ensure that the replacement Transaction Account, Swap Collateral Account and/or CBG Trust Account is an interest-bearing account yielding a commercially reasonable rate of return. No termination of the appointment of the Account Bank pursuant to (a), (b), (i) or (ii) above shall take effect until a financial institution (x) having the Account Bank Required Ratings and (y) being a person which holds all requisite licences or authorisations to perform the obligations of the Account Bank under the Bank Account Agreement, including, without limitation, a bank licence under the Banking Act enter into an agreement in form and substance similar to the Bank Account Agreement.

The Account Bank is not liable for a failure to perform its obligations if it is unable to do so due to circumstances beyond its control, such as strike, computer failure or power cuts.

The Bank Account Agreement will be governed by Singapore law.

CORPORATE SERVICES AGREEMENT

The Covered Bond Guarantor entered into a Corporate Services Agreement with, *inter alios*, Intertrust Singapore Corporate Services Pte. Ltd. (as Corporate Services Provider) on 19 March 2024 (as amended, restated, supplemented or novated from time to time), pursuant to which the Corporate Services Provider has agreed to provide to the Covered Bond Guarantor certain corporate services and such other services as the Cash Manager may delegate to it from time to time.

The Corporate Services Agreement is governed by Singapore law.

The Covered Bond Guarantor will pay certain fees to the Corporate Services Provider and will reimburse the Corporate Services Provider for all reasonable costs and expenses (subject to an annual limit) properly incurred in acting as Corporate Services Provider, as applicable. Any remuneration, costs and expenses paid by the Covered Bond Guarantor to the Corporate Services Provider shall be paid subject to and in accordance with the Guarantee Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

DEEDS OF CHARGE

Pursuant to the terms of the English Security Trust Deed and the Singapore Deed of Charge each entered into on 19 March 2024 (each as amended, restated, supplemented or novated from time to time) by the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary, the Security Trustee and the other Secured Creditors, the secured obligations of the Covered Bond Guarantor and the CBG Beneficiary and all other obligations of the Covered Bond Guarantor and the CBG Beneficiary under or pursuant to the Transaction Documents to which it is a party are secured, *inter alia*, by the following security (the “**Security**”) over the following property, assets and rights (the “**Charged Property**”):

- (a) a first fixed charge (which may take effect as a floating charge) over the Covered Bond Guarantor’s and (on behalf of the CBG Beneficiary) the Assets Trustee’s rights, estate, title, interests, benefits and remedies (both present and future) in, to and under the Portfolio in respect of the Loans and their Related Security (and any related Top-up Loans) and all other related rights under the same;

- (b) a first fixed charge (which may take effect as a floating charge) over the CBG Beneficiary's rights, estate, title, interests, benefits and remedies (both present and future) in, to and under the Trust Assets (to the extent not charged under (a) above and all other related rights under the same);
- (c) a valid assignment by way of first fixed security over all of the rights, estate, title, interests, benefits and remedies (present and future) of each of the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary in, to and under the Insurance Policies;
- (d) a valid assignment by way of first fixed security (which may take effect as a floating charge over) all of the Covered Bond Guarantor's and (on behalf of the CBG Beneficiary) the Assets Trustee's rights, estate, title, interests, benefits and remedies (present and future) in, to and under any Transaction Document to which it is a party (and, in respect of the Interest Rate Swap Agreement(s) and Covered Bond Swap Agreement, after giving effect to all applicable netting provisions therein) (created under, in respect of Transaction Documents governed by Singapore law, the Singapore Deed of Charge or, in respect of the Transaction Documents governed by English law, the English Security Trust Deed);
- (e) a first fixed charge (which may take effect as a floating charge) over the rights, estate, title, interests, benefits and remedies (both present and future) of the Covered Bond Guarantor in, to and under all monies standing to the credit of the Transaction Account (including any Excess Proceeds), the Swap Collateral Account and any other account of the Covered Bond Guarantor;
- (f) a first fixed charge (which may take effect as a floating charge) over the rights, estate, title, interests, benefits and remedies (both present and future) of the Covered Bond Guarantor in, to and under or in respect of all Authorised Investments and Substitution Assets purchased from time to time from using monies standing to the credit of the Transaction Account; and
- (g) a first floating charge over all the property, assets, rights and revenues and the whole of the undertaking of the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary (including over the assets of the Covered Bond Guarantor governed by English law).

The CBG Beneficiary has covenanted in the Singapore Deed of Charge that it shall not call, request or act in any manner to transfer legal title in any of the Trust Assets from the Assets Trustee to itself without the prior written consent of the Security Trustee. The Security Trustee has covenanted in the Singapore Deed of Charge that it shall not consent to any such transfer of legal title in the Trust Assets to the CBG Beneficiary in any circumstances.

Release of Security

In the event of any sale of Loans (including Selected Loans) and their Related Security (and any related Top-up Loans) (and any other related rights under the same) by or on behalf of the Covered Bond Guarantor or the surrender by the CBG Beneficiary of its interest in all or part of the Trust Assets, in each case pursuant to and in accordance with the Transaction Documents, the Security Trustee shall, if so requested in writing by the Covered Bond Guarantor or the Assets Trustee on behalf of the CBG Beneficiary release, reassign or discharge those Loans and their Related Security (and any related Top-up Loans) (and any other related rights under the same) from the Security Interests created by and pursuant to the Singapore Deed of Charge on the date of such sale *provided that*:

- (h) the Covered Bond Guarantor provides to the Security Trustee a certificate confirming that such sale has been made in accordance with the terms of the Transaction Documents and, in the case of Selected Loans only, that the Selected Loans being sold have been selected on a Random Basis; and
- (i) (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption under the Mortgage Sale Agreement and/or the Declaration of Assets Trust) a Rating Agency Confirmation has been obtained in respect of any sale of Selected Loans and the required terms of

the sale and purchase agreement in respect of such sale of Selected Loans has been met, in accordance with the terms described under “*Establishment Deed — Method of Sale of Selected Loans*”.

In the event of any sale of related Top-up Loans by the Covered Bond Guarantor pursuant to and in accordance with the Transaction Documents, the Security Trustee will (subject to the written request of the Covered Bond Guarantor) release those Top-up Loans from the Security created by and pursuant to the Singapore Deed of Charge on the date of such sale.

In the event of any reassignment, release and surrender or transfer (as applicable) of the Covered Bond Guarantor's equitable rights, estate, title, interests, benefits and remedies to the Demand Loan Repayment Assets by or on behalf of the Covered Bond Guarantor pursuant to and in accordance with the Transaction Documents, such Loans and their Related Security (and any other related rights under the same) (or, in the case of Trust Assets, the CBG Beneficiary's rights, estate, title, interests, benefits and remedies in, to and under the Trust Assets) shall be automatically deemed reassigned, released or discharged from the Security Interests pursuant to the terms of the Singapore Deed of Charge on the date of such repayment of the Demand Loan.

The Security Trustee shall not be responsible for monitoring whether or not (i) in the event of any sale of Loans (including Selected Loans) and their Related Security (and any related Top-up Loans) by the Covered Bond Guarantor (or, in the case of Trust Assets, the surrender by the CBG Beneficiary of its rights, estate, title, interests, benefits and remedies in, to and under the Trust Assets) as described above, such sale and/or surrender is made or has been made in accordance with the terms of the Transaction Documents, (ii) the Loans and their Related Security (and any related Top-up Loans) which are the subject of such sale and/or surrender have been so released, reassigned and/or discharged from the Security Interests under the Singapore Deed of Charge, (iii) in the case of Selected Loans only, such Loans have been selected on a Random Basis, (iv) in the event of the repurchase of a Non-CPF Loan and its Related Security (and any related Top-up Loans) by the Seller and/or the surrender of the Trust Assets in relation to the CPF Loans and their Related Security (and any related Top-up Loans) by the CBG Beneficiary to the Seller as described above, any such repurchase and/or surrender has been made or completed in accordance with the terms of the Transaction Documents and such Loan and its Related Security (and any related Top-up Loans) have been so released, reassigned and/or discharged from the Security Interests under the Singapore Deed of Charge and/or (v) any such sale and/or surrender has been effected on terms commercially available in the market or effected in a timely manner. The Security Trustee shall not be liable to any person for any loss occasioned thereby.

Enforcement

If a CBG Acceleration Notice is served on the Covered Bond Guarantor, the Bond Trustee will be entitled to direct the Security Trustee to appoint a receiver, and/or enforce the Security constituted by the Deeds of Charge (including selling all or part of the Portfolio), and/or take such steps as it may think fit to enforce the Security, subject in each case to the Bond Trustee and the Security Trustee each being indemnified and/or secured and/or prefunded to its satisfaction. All proceeds received by the Security Trustee from the enforcement or realisation of the Security will be applied in accordance with the Post-Enforcement Priority of Payments described under “*Cashflows and Priorities of Payments*”.

The Singapore Deed of Charge is governed by Singapore law. The English Security Trust Deed (creating security over the Transaction Documents which are governed by English law) is governed by English law, save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law.

GST

Any sum payable by the Covered Bond Guarantor which constitutes the consideration for any supply for GST purposes is deemed to be exclusive of any GST which is chargeable on that supply. If GST is or becomes chargeable on any supply made by a party to the Covered Bond Guarantor under a Transaction Document, the Covered Bond Guarantor must pay to such party (in addition and at the same time as paying the consideration for such supply) an amount equal to the amount of such GST.

CREDIT STRUCTURE INCLUDING ASSET TESTS

The Covered Bonds will be direct, unsecured and unsubordinated obligations of the Issuer. The Covered Bond Guarantor has no obligation to pay the Guaranteed Amounts under the Covered Bond Guarantee until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and on the Covered Bond Guarantor of a Notice to Pay or, if earlier, following the occurrence of a CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice. The Issuer will not be relying on payments by the Covered Bond Guarantor in respect of the Advances or receipt of Revenue Receipts or Principal Receipts from the Portfolio in order to pay interest or repay principal under the Covered Bonds.

There are a number of features of the Programme which enhance the likelihood of timely and, as applicable, ultimate payments to the Covered Bondholders, as follows:

- (a) the Covered Bond Guarantee provides credit support to the Issuer;
- (b) the Asset Coverage Test is intended to test the asset coverage of the Covered Bond Guarantor's assets in respect of the Covered Bonds at all times;
- (c) the Pre-Maturity Test is intended to provide liquidity to the Covered Bond Guarantor in respect of principal due on the Maturity Date of Hard Bullet Covered Bonds;
- (d) the Amortisation Test is intended to test the asset coverage of the Covered Bond Guarantor's assets in respect of the Covered Bonds following the occurrence of an Issuer Event of Default, service of an Issuer Acceleration Notice on the Issuer and service of a Notice to Pay on the Covered Bond Guarantor; and
- (e) a Reserve Fund (unless the Issuer's short-term, unsecured and unsubordinated debt obligations are rated at least P-1 by Moody's and A-1 by S&P) will be established in the Transaction Account to trap Available Revenue Receipts.

Certain of these factors are considered more fully in the remainder of this section.

Covered Bond Guarantee

The Covered Bond Guarantee provided by the Covered Bond Guarantor under the Trust Deed guarantees payment of Guaranteed Amounts when the same become Due for Payment in respect of all Covered Bonds issued under the Programme. The Covered Bond Guarantee will not guarantee any amount becoming payable for any other reason, including any accelerated payment pursuant to Condition 9 following the occurrence of an Issuer Event of Default. In this circumstance (and until a CBG Event of Default occurs and a CBG Acceleration Notice is served), the Covered Bond Guarantor's obligations will only be to pay the Guaranteed Amounts as they fall Due for Payment.

See further "*Summary of the Principal Documents — Trust Deed*" as regards the terms of the Covered Bond Guarantee. See further "*Cashflows and Priorities of Payments — Allocation and Distribution of Funds following service of a Notice to Pay*" as regards the payment of amounts payable by the Covered Bond Guarantor to the Covered Bondholders and other Secured Creditors following the occurrence of an Issuer Event of Default.

Pre-Maturity Liquidity

Certain Series of Covered Bonds are Hard Bullet Covered Bonds. The applicable Pricing Supplement will identify whether any Series of Covered Bonds is a Series of Hard Bullet Covered Bonds. The Pre-Maturity Test is intended to provide liquidity for the Hard Bullet Covered Bonds when the Issuer's credit ratings cease to meet specified ratings levels. On each Pre-Maturity Test Date, the Covered Bond Guarantor (or

the Cash Manager acting on its behalf) will determine if the Pre-Maturity Test has been breached and, if so, the Covered Bond Guarantor (or the Cash Manager acting on its behalf) shall immediately notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies and the Security Trustee thereof.

The Issuer will fail and be in breach of the “Pre-Maturity Test” in relation to a Series of Hard Bullet Covered Bonds on a Pre-Maturity Test Date if:

- (a) the rating from S&P of the Issuer’s short-term unsecured and unsubordinated debt obligations cease to be rated at least A-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date; or
- (b) the rating from Moody’s of the Issuer’s unsecured and unsubordinated debt obligations cease to be at least P-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date.

Following a failure of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds but prior to the service of a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) will, taking into account any Advances or Subordinated Advances made by the Intercompany Loan Provider or the Subordinated Loan Provider and/or funded under the applicable Priorities of Payments, as soon as practicable offer to sell Selected Loans to Purchasers (subject to the Seller’s right of pre-emption pursuant to the Mortgage Sale Agreement and/or the Declaration of Assets Trust) with the intention that there will be an amount standing to the credit of the Pre-Maturity Liquidity Ledger at least equal to the Required Redemption Amount of that Series of Hard Bullet Covered Bonds (taking into account the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds). See “*Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans*”.

In addition to the sale of Loans (including Selected Loans) and their Related Security, the Pre-Maturity Liquidity Ledger may be funded by:

- (a) Advances and/or Subordinated Advances; and/or
- (b) to the extent permitted by the Priorities of Payments, Available Revenue Receipts and Available Principal Receipts.

Failure by the Issuer to pay the full amount due in respect of a Series of Hard Bullet Covered Bonds on the Maturity Date thereof (subject to applicable cure periods) will constitute an Issuer Event of Default.

Following service of a Notice to Pay on the Covered Bond Guarantor in relation to a Series of Hard Bullet Covered Bonds but prior to the service of a CBG Acceleration Notice, the Cash Manager must on behalf of the Covered Bond Guarantor apply funds standing to the Pre-Maturity Liquidity Ledger to repay the relevant Series of Hard Bullet Covered Bonds but shall cease to further fund the Pre-Maturity Liquidity Ledger in relation to that Series of Hard Bullet Covered Bonds. Following service of a CBG Acceleration Notice on the Covered Bond Guarantor, all amounts standing to the credit of the Pre-Maturity Liquidity Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

If the Issuer and/or the Covered Bond Guarantor fully repay the relevant Series of Hard Bullet Covered Bonds on the Maturity Date thereof or the breach of the Pre-Maturity Test is remedied, the amount standing to the credit of the Pre-Maturity Liquidity Ledger on the Transaction Account shall be applied by the Covered Bond Guarantor in accordance with (prior to the service of a Notice to Pay on the Covered Bond Guarantor) the Pre-Acceleration Principal Priority of Payments and the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments, unless the Issuer is failing the Pre-Maturity Test in respect of any other Series of Hard Bullet Covered Bonds, in which case amounts shall remain credited to the Pre-Maturity Liquidity Ledger to the extent required for such other Series of Hard Bullet Covered Bonds.

If the breach of the Pre-Maturity Test is remedied, the amount standing to the credit of the Pre-Maturity Liquidity Ledger shall be applied and paid in accordance with (prior to the service of a Notice to Pay on the Covered Bond Guarantor) the Pre-Acceleration Principal Priority of Payments and the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments on the next CBG Payment Date.

Failure to satisfy the Pre-Maturity Test in the circumstances set out in Condition 9(a)(vii) will result in the occurrence of an Issuer Event of Default.

Asset Coverage Test

The Asset Coverage Test is intended to test whether the Covered Bond Guarantor can meet its obligations under the Covered Bond Guarantee prior to the service of a Notice to Pay or a CBG Acceleration Notice.

The Asset Coverage Test is a formula which calculates the Adjusted Aggregate Loan Amount by adjusting the True Balance of the Loans in the Portfolio based on the methodologies and cashflow models as set out in the Establishment Deed, and has further adjustments to take into account, among other things, the failure by the Seller, in accordance with the Mortgage Sale Agreement, to repurchase Loans that do not materially comply with the Representations and Warranties (in respect of Loans and their Related Security in the Initial Portfolio) on the First Closing Date and (in respect of New Loans and their Related Security in a New Portfolio) on the date of the service of the relevant New Portfolio Notice and on the relevant Closing Date, and the value of any Authorised Investments and/or Substitution Assets. See *“Summary of the Principal Documents — Establishment Deed — Asset Coverage Test”*.

Under the Establishment Deed, the Cash Manager will on or prior to each Test Date test whether, as of the immediately preceding Calculation Date, the Adjusted Aggregate Loan Amount is in an amount equal to or in excess of the aggregate SGD Equivalent of the outstanding nominal amount of the Covered Bonds. If the Adjusted Aggregate Loan Amount is less than the SGD Equivalent of the aggregate outstanding nominal amount of all the Covered Bonds, each calculated as of such Calculation Date, the Covered Bond Guarantor (at the direction of the Cash Manager) will use all commercially reasonable endeavours to acquire further Loans and their Related Security from the Seller and/or obtain an Advance under the Intercompany Loan Agreement or a Subordinated Advance under the Subordinated Loan Agreement to ensure that the Asset Coverage Test is met as of the next Calculation Date.

If on the next following Test Date the Adjusted Aggregate Loan Amount remains less than the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds (each calculated as of the Calculation Date immediately preceding that Test Date), the Asset Coverage Test will be breached and the Bond Trustee will serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor.

An Asset Coverage Test Breach Notice will be deemed to be revoked by the Bond Trustee if, on or before the first Test Date immediately succeeding service of the Asset Coverage Test Breach Notice, the Asset Coverage Test (as calculated as of the immediately preceding Calculation Date) is satisfied and neither a Notice to Pay nor a CBG Acceleration Notice has been served.

If an Asset Coverage Test Breach Notice has been served and is not revoked by the Bond Trustee on or before the first Test Date immediately succeeding service of an Asset Coverage Test Breach Notice, then an Issuer Event of Default will occur and the Bond Trustee will be entitled to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the Covered Bond Guarantor.

Amortisation Test

The Amortisation Test is intended to test whether, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service on the Covered Bond Guarantor of a CBG Acceleration Notice), the

assets of the Covered Bond Guarantor available to meet its obligations under the Covered Bond Guarantee have fallen to a level where Covered Bondholders may not be repaid, in which case a CBG Event of Default will occur and all amounts owing under the Covered Bonds may be accelerated.

Under the Establishment Deed, the Amortisation Test will be satisfied as of each Calculation Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service on the Covered Bond Guarantor of a CBG Acceleration Notice) if, on that Calculation Date, the Amortisation Test Aggregate Loan Amount will be in an amount at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date. The Amortisation Test is a formula which adjusts the True Balance of the Loans in the Portfolio based on the methodologies and cashflow models as set out in the Establishment Deed, and has further adjustments to take account of Defaulted Loans. See “*Summary of the Principal Documents — Establishment Deed — Amortisation Test*”.

Failure to satisfy the Amortisation Test will result in the occurrence of a CBG Event of Default — see Condition 9(b).

Reserve Fund

If, on any Singapore Business Day prior to the service on the Covered Bond Guarantor of a Notice to Pay or a CBG Acceleration Notice, the Reserve Fund Required Amount (if applicable) exceeds the balance on the Reserve Ledger on that Singapore Business Day, the Cash Manager on behalf of the Covered Bond Guarantor will within five Singapore Business Days of such day (i) request an Advance (under the Intercompany Loan Agreement) or (ii) if such an Advance is not available for utilisation because the conditions precedent required to be satisfied before such an Advance can be made cannot be met, request a Subordinated Advance, in either case, for an amount equal to the difference between the Reserve Fund Required Amount and the balance on the Reserve Ledger for the purpose of depositing the proceeds of the Advance or the Subordinated Advance in the Transaction Account to fund the Reserve Fund.

“**Reserve Fund Required Amount**” means:

- (a) if, and for so long as, the Issuer’s short-term, unsecured and unsubordinated debt obligations are rated at least P-1 from Moody’s and A-1 by S&P, nil or such other amount as the Issuer will direct the Covered Bond Guarantor from time to time;
- (b) if, and for so long as, the Issuer’s short-term, unsecured and unsubordinated debt obligations cease to be rated at least P-1 from Moody’s but are rated at least A-1 by S&P, an amount equal to the SGD Equivalent of amounts of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place, the aggregate amounts due to the relevant Covered Bond Swap Provider in the immediately following three months; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place, the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following three months; and (iii) an amount equal to the anticipated aggregate amount payable in the immediately following three months in respect of the items specified in paragraphs (b) to (f) of the Pre-Acceleration Revenue Priority of Payments and, if applicable, paragraph (g) of the Pre-Acceleration Revenue Priority of Payments, *provided that* in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated;
- (c) if, and for so long as, the Issuer’s short-term, unsecured and unsubordinated debt obligations cease to be rated at least A-1 by S&P but are rated at least P-1 from Moody’s, an amount equal to the SGD Equivalent of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place and is provided by a party other than the Issuer (or a related party), the aggregate amounts due to the relevant Covered Bond Swap Provider in the immediately following three months; and/or

(ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place and/or a Covered Bond Swap is provided by the Issuer (or a related party), the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following three months; and (iii) an amount equal to the anticipated aggregate amount payable in the immediately following three months in respect of the items specified in paragraphs (b) to (f) of the Pre-Acceleration Revenue Priority of Payments and, if applicable, paragraph (g) of the Pre-Acceleration Revenue Priority of Payments, *provided that*, in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated; or

- (d) if, and for so long as, the Issuer's short-term, unsecured and unsubordinated debt obligations cease to be rated at least P-1 from Moody's and A-1 by S&P, the higher of the amounts determined in accordance with paragraphs (b) and (c) above.

A Reserve Ledger will be maintained by the Cash Manager to record the balance from time to time of the Reserve Fund. Following the service of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund will be added to certain other income of the Covered Bond Guarantor in calculating Available Revenue Receipts.

Unless otherwise funded under the Intercompany Loan Agreement or the Subordinated Loan Agreement (at the option of the Lender thereunder), the Reserve Fund will be funded up to the Reserve Fund Required Amount from Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments on each CBG Payment Date.

The balance on the Reserve Ledger in excess of the Reserve Fund Required Amount will form part of Available Principal Receipts (up to an amount equal to the amount drawn under the Intercompany Loan Agreement or the Subordinated Loan Agreement to fund the Reserve Fund) and (in respect of the remaining balance) Available Revenue Receipts and be applied accordingly.

CASHFLOWS AND PRIORITIES OF PAYMENTS

As described under “*Credit Structure including Asset Tests*”, until a Notice to Pay or a CBG Acceleration Notice is served on the Covered Bond Guarantor, the Covered Bonds will be obligations of the Issuer only. The Issuer is liable to make payments when due on the Covered Bonds, whether or not it has ultimately received any corresponding payment from the Covered Bond Guarantor.

This section summarises the Priorities of Payments of the Covered Bond Guarantor as to the allocation and distribution of amounts standing to the credit of the CBG Accounts and their order of priority:

- (a) prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice and/or realisation of the Security;
- (b) following service of an Asset Coverage Test Breach Notice (which has not been revoked);
- (c) following service of a Notice to Pay; and
- (d) following service of a CBG Acceleration Notice and/or realisation of the Security.

Calculation and Transfer of Available Revenue Receipts and Available Principal Receipts

- (a) On or prior to the Test Date immediately prior to each CBG Payment Date, the Covered Bond Guarantor or the Cash Manager on its behalf shall calculate:
 - (i) the amount of Available Revenue Receipts available for distribution; and
 - (ii) the amount of Available Principal Receipts available for distribution,in all cases, as of the Calculation Date immediately preceding that Test Date.
- (b) Unless the section headed “*Cashflows and Priorities of Payments — Allocation and Distribution of Funds following service of a Notice to Pay*” applies, on each CBG Payment Date, the Cash Manager on behalf of the Covered Bond Guarantor will transfer:
 - (i) Available Revenue Receipts from the Revenue Ledger and the Reserve Ledger to the Payment Ledger on the Transaction Account, in an amount equal to the amount of Available Revenue Receipts standing to the credit of the Transaction Account; and
 - (ii) funds from the Principal Ledger to the Payment Ledger on the Transaction Account, in an amount equal to the amount of Available Principal Receipts standing to the credit of the Transaction Account.

Allocation and Distribution of Available Revenue Receipts prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice.

Prior to the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked), a Notice to Pay or a CBG Acceleration Notice or following the revocation of an Asset Coverage Test Breach Notice, Available Revenue Receipts shall be applied as described below.

On each CBG Payment Date, the Cash Manager on behalf of the Covered Bond Guarantor will apply Available Revenue Receipts standing to the credit of the Payment Ledger on the Transaction Account as set out in paragraph (b)(i) above, to pay or provide for the following obligations of the Covered Bond Guarantor in the following order of priority (except for amounts under paragraph (e)(ii) below which shall be paid when due) (the “**Pre-Acceleration Revenue Priority of Payments**”) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) first, in or towards payment of all amounts (other than principal) then due and payable in respect of the Demand Loan pursuant to the terms of the Intercompany Loan Agreement;
- (b) next, in or towards payment of any liability of the Covered Bond Guarantor for Taxes;
- (c) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Bond Trustee's fees and any Costs then due and payable or to become due and payable to the Bond Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (ii) the Security Trustee's fees and any Costs then due and payable or to become due and payable to the Security Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iii) the Agents' fees and any Costs then due and payable or to become due and payable to the Agents under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iv) the Corporate Services Provider's fees and any Costs then due and payable or to become due and payable to the Corporate Services Provider under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (v) the Assets Trustee's fees and any Costs then due and payable or to become due and payable to the Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (vi) the Replacement Assets Trustee's fees and any Costs then due and payable or to become due and payable to the Replacement Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
- (d) next, in or towards payment of the Servicer's fees and any Costs then due and payable or to become due and payable to the Servicer under the provisions of the Servicing Agreement in the CBG Payment Period commencing on that CBG Payment Date;
- (e) next, in or towards payment *pro rata* and *pari passu* of:
 - (i) any fees and Costs then due and payable or to become due and payable in connection with the seeking of any Requisite CPF Loan Legal Title Transfer Approval under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (ii) any fees and Costs then due and payable by the Covered Bond Guarantor to any person (other than a party to a Transaction Document) and incurred without breach by the Covered Bond Guarantor of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere in this Pre-Acceleration Revenue Priority of Payments) and any such amounts expected to become due and payable by the Covered Bond Guarantor in the CBG Payment Period commencing on that CBG Payment Date;
- (f) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Cash Manager's fees and any costs, charges, liabilities and expenses then due and payable or to become due and payable to the Cash Manager under the provisions of the Cash Management Agreement in CBG Payment Period commencing on that CBG Payment Date;
 - (ii) amounts (if any) then due and payable to the Account Bank (including any costs, charges, liabilities and expenses) pursuant to the terms of the Bank Account Agreement; and

- (iii) amounts then due and payable to the Asset Monitor pursuant to the terms of the Asset Monitor Agreement;
- (g) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of all amounts then due and payable to the relevant Interest Rate Swap Provider (if any) (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement (if any), but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap Agreement (if any);
- (h) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of all amounts then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the relevant Covered Bond Swap Providers (other than in respect of principal or, in respect of cross-currency swaps, exchange amounts) in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Covered Bond Swap Agreement;
- (i) next, in or towards a credit to the Transaction Account (with a corresponding credit to the Reserve Ledger) of an amount up to but not exceeding the amount by which the Reserve Fund Required Amount (if applicable) exceeds the existing balance on the Reserve Ledger as calculated as of the immediately preceding Calculation Date;
- (j) next, if the Issuer is in breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds, towards a credit to the Transaction Account (with a corresponding credit to the Pre-Maturity Liquidity Ledger) of an amount up to but not exceeding the difference between:
 - (i) the Required Redemption Amount as calculated as of the immediately preceding Calculation Date for all Series of Hard Bullet Covered Bonds which mature within 12 months of that Calculation Date; and
 - (ii) all amounts standing to the credit of the Pre-Maturity Liquidity Ledger as of the immediately preceding Calculation Date,
 taking into account amounts to be applied to the Pre-Maturity Liquidity Ledger in accordance with the Establishment Deed on that CBG Payment Date;
- (k) next, in or towards crediting the CBG Retained Amount Ledger of the Covered Bond Guarantor in an amount equal to the CBG Retained Amount;
- (l) next, in or towards payment *pro rata* and *pari passu* of any amounts due and payable or to become due and payable in the immediately succeeding CBG Payment Period (excluding principal amounts) in respect of each relevant Advance under the Guarantee Loan to the Issuer pursuant to the terms of the Intercompany Loan Agreement;
- (m) next, if a Servicer Termination Event has occurred, all remaining Available Revenue Receipts to be credited to the Transaction Account (with a corresponding credit to the Revenue Ledger) until such Servicer Termination Event is either remedied by the Servicer or waived by the Security Trustee or a new servicer is appointed to service the Portfolio (or the relevant part thereof);
- (n) next, in or towards payment *pro rata* and *pari passu* in accordance with the respective amounts thereof of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement(s) and the Interest Rate Swap Agreement(s)

(if any), except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers;

- (o) next, in or towards payment of all amounts then due and payable or to become due and payable (excluding principal amounts) in the CBG Payment Period commencing on that CBG Payment Date in respect of the Subordinated Advances pursuant to the terms of the Subordinated Loan Agreement;
- (p) next, if the Cash Manager or the Subordinated Loan Provider so elects, in or towards repayment of the Subordinated Loan; and
- (q) next, in or towards payment to the Seller of (a) the then Deferred Consideration Amount due to the Seller (in respect of Non-CPF Loans) and (b) the then Deferred Contribution Consideration Amount due to the Seller (in respect of CPF Loans).

All amounts, other than Swap Collateral Excluded Amounts, received by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement (if any) on or after the CBG Payment Date but prior to the next following CBG Payment Date will be applied in the following order of priority:

- (i) first, to the extent that any amounts were not able to be paid or provided for as described in the Pre-Acceleration Revenue Priority of Payments on the relevant CBG Payment Date due to the late receipt of payment by the Covered Bond Guarantor from the relevant Interest Rate Swap Provider (if any), promptly to pay or provide for those amounts in the order of priority specified in the Pre-Acceleration Revenue Priority of Payments; and
- (ii) next, as a credit to the Transaction Account (with a corresponding credit to the Revenue Ledger) and applied as Available Revenue Receipts on the next succeeding CBG Payment Date.

If any Swap Collateral Available Amounts are received by the Covered Bond Guarantor on a CBG Payment Date, such amounts shall be applied by the Covered Bond Guarantor (or by the Cash Manager on its behalf) on that CBG Payment Date in the same manner as it would have applied the receipts which such Swap Collateral Available Amounts replace.

If any amount of interest in respect of a Series of Covered Bonds is due but unpaid by the Issuer on a CBG Payment Date, the amount of Available Revenue Receipts that would otherwise be distributed in accordance with paragraphs (l), (o), (p) and (q) above shall be set aside and retained in the Transaction Account by the Cash Manager on behalf of the Covered Bond Guarantor and shall be credited by the Cash Manager to the Accrued Payments Ledger. If:

- (a) at any time prior to a Notice to Pay being served on the Covered Bond Guarantor, the Issuer pays such unpaid amounts of interest in respect of the relevant Series of Covered Bonds (and no amount of interest in respect of any other Series of Covered Bonds is then due but unpaid by the Issuer), the Cash Manager on behalf of the Covered Bond Guarantor shall promptly thereafter apply the Available Revenue Receipts previously set aside in accordance with this paragraph towards payment of the relevant amounts under paragraph (l), (o), (p) or (q) above (as applicable) in respect of which such amounts were set aside; or
- (b) a Notice to Pay is served on the Covered Bond Guarantor, all Available Revenue Receipts previously set aside in accordance with this paragraph (which have not otherwise been previously paid under paragraph (a) above) shall be transferred from the Accrued Payments Ledger to the Payment Ledger on the Transaction Account in accordance with the Establishment Deed.

Allocation and Distribution of Available Principal Receipts prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice

Prior to the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked), a Notice to Pay or a CBG Acceleration Notice or following the revocation of an Asset Coverage Test Breach Notice, Available Principal Receipts shall be applied as described below.

On each CBG Payment Date, the Cash Manager on behalf of the Covered Bond Guarantor will apply all Available Principal Receipts then standing to the credit of the Payment Ledger on the Transaction Account in making the following payments or provisions or credits in the following order of priority (the “**Pre-Acceleration Principal Priority of Payments**”) (in each case only if and to the extent that payments or provisions of a higher priority have been paid in full):

- (a) first, if the Issuer is in breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds, in or towards a credit to the Transaction Account (with a corresponding credit to the Pre-Maturity Liquidity Ledger) of an amount up to but not exceeding the difference (if positive) between:
 - (i) the Required Redemption Amount calculated as of the immediately preceding Calculation Date for all Series of Hard Bullet Covered Bonds which mature within 12 months of that Calculation Date; and
 - (ii) all amounts standing to the credit of the Pre-Maturity Liquidity Ledger as of the immediately preceding Calculation Date;
- (b) next, in or towards repayment of the principal amount (to the extent repayable in cash) of the Demand Loan;
- (c) next, in or towards the acquisition of New Loans and their Related Security offered to the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) by the Seller in accordance with the terms of the Mortgage Sale Agreement (and, in the case of CPF Loans and their Related Security, becoming Trust Assets and the CBG Beneficiary being required to make an Additional Contribution pursuant to the terms of the Declaration of Assets Trust), or to provide for such acquisition or Additional Contribution in the CBG Payment Period commencing on that CBG Payment Date;
- (d) next, as a credit to the Transaction Account (with a corresponding credit to the Principal Ledger) in an amount sufficient to ensure that, taking into account the other resources available to the Covered Bond Guarantor, the Covered Bond Guarantor is in compliance with the Asset Coverage Test (which amounts may be invested by the Covered Bond Guarantor in Authorised Investments and/or Substitution Assets, subject to the terms of the Establishment Deed and the Cash Management Agreement) and, if the Cash Manager so elects, towards acquisition of additional Authorised Investments and/or Substitution Assets in accordance with the Establishment Deed;
- (e) next, in or towards repayment of the principal amount of the Guarantee Loan;
- (f) next, in or towards repayment of the principal amount of the Subordinated Loan; and
- (g) next, as a credit to the Transaction Account (with a corresponding credit to the Principal Ledger).

If any amount of interest in respect of a Series of Covered Bonds is due but unpaid by the Issuer on a CBG Payment Date, the amount of Available Principal Receipts that would otherwise be distributed in accordance with paragraph (e) and (f) above shall be set aside and retained in the Transaction Account by the Cash Manager on behalf of the Covered Bond Guarantor and shall be credited by the Cash Manager to the Accrued Payments Ledger. If:

- (a) at any time prior to a Notice to Pay being served on the Covered Bond Guarantor, the Issuer pays such unpaid amounts of interest in respect of the relevant Series of Covered Bonds (and no amount of interest in respect of any other Series of Covered Bonds is then due but unpaid by the Issuer), the Cash Manager on behalf of the Covered Bond Guarantor shall promptly thereafter apply the Available Principal Receipts previously set aside in accordance with this paragraph towards payment of the relevant amounts under paragraph (e) or (f) above (as applicable) in respect of which such amounts were set aside; or
- (b) a Notice to Pay is served on the Covered Bond Guarantor, all Available Principal Receipts previously set aside in accordance with this paragraph (which have not otherwise been previously paid under paragraph (a) above) shall be transferred from the Accrued Payments Ledger to the Payment Ledger on the Transaction Account in accordance with the Establishment Deed.

Allocation and Distribution of Available Revenue Receipts and Available Principal Receipts following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked)

At any time after the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to the service on the Covered Bond Guarantor of a Notice to Pay or a CBG Acceleration Notice, and for so long as any Covered Bonds remain outstanding, the Cash Manager on behalf of the Covered Bond Guarantor will apply:

- (a) Available Revenue Receipts in accordance with Pre-Acceleration Revenue Priority of Payments save that no funds will be applied under paragraph (a), (l), (o), (p) or (q) of the Pre-Acceleration Revenue Priority of Payments, and any remaining amounts shall be credited to the Transaction Account (with a corresponding credit to the Revenue Ledger); and
- (b) Available Principal Receipts in accordance with Pre-Acceleration Principal Priority of Payments save that no funds will be applied under paragraph (b), (e) or (f) of the Pre-Acceleration Principal Priority of Payments.

Allocation and Distribution of Monies following service of a Notice to Pay

On and from the service of a Notice to Pay on the Covered Bond Guarantor, but prior to service on the Covered Bond Guarantor of a CBG Acceleration Notice, all Available Revenue Receipts and Available Principal Receipts standing to the credit of the CBG Accounts will be applied as described below.

On each CBG Payment Date following the service of a Notice to Pay, the Cash Manager on behalf of the Covered Bond Guarantor will transfer Available Revenue Receipts and Available Principal Receipts from the Revenue Ledger, the Principal Ledger, the Accrued Payments Ledger and the Reserve Ledger, as the case may be, to the Payment Ledger on the Transaction Account, in an amount equal to the amount of all Available Revenue Receipts and all Available Principal Receipts standing to the credit of such ledgers on the Transaction Account.

If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor shall on the relevant Maturity Date apply (to the extent required) all monies standing to the credit of the Pre-Maturity Liquidity Ledger (and transferred to the Transaction Account in accordance with the provisions of the Establishment Deed) to repay the Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Liquidity Ledger was established that is then due for payment. Thereafter, any remaining monies standing to the credit of the Pre-Maturity Liquidity Ledger shall be debited from the Pre-Maturity Liquidity Ledger and shall be available for distribution in accordance with the Guarantee Priority of Payment as described below, *provided that* the Pre-Maturity Liquidity Ledger is not required to be maintained in respect of any other Series of Hard Bullet Covered Bonds on such date.

The Cash Manager shall create and maintain ledgers for each Series of Covered Bonds and record amounts allocated to such Series of Covered Bonds in accordance with paragraph (h), (i), (j) or (k) of the Guarantee Priority of Payments, and such amounts, once allocated, will only be available to pay amounts due under the Covered Bond Guarantee and amounts due under the Covered Bond Swap in respect of the relevant Series of Covered Bonds on the Scheduled Payment Dates therefor.

On each CBG Payment Date on and from the date that a Notice to Pay is served on the Covered Bond Guarantor, but prior to service on the Covered Bond Guarantor of a CBG Acceleration Notice, the Cash Manager on behalf of the Covered Bond Guarantor will apply all Available Revenue Receipts and all Available Principal Receipts then standing to the credit of the Payment Ledger on the Transaction Account in accordance with the above to pay or provide for the following obligations of the Covered Bond Guarantor in the following order of priority (except for amounts under paragraph (e)(ii) below which shall be paid when due) (the “**Guarantee Priority of Payments**”) (in each case only if and to the extent that payments or provisions of a higher priority have been paid in full):

- (a) first, in or towards payment *pro rata* and *pari passu* of all amounts of interest then due and payable in respect of the Demand Loan pursuant to the terms of the Intercompany Loan Agreement;
- (b) next, in or towards payment of any liability of the Covered Bond Guarantor for Taxes;
- (c) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Bond Trustee’s fees and any Costs then due and payable or to become due and payable to the Bond Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (ii) the Security Trustee’s fees and any Costs then due and payable or to become due and payable to the Security Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iii) the Agents’ fees and any Costs then due and payable or to become due and payable to the Agents by the Covered Bond Guarantor under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iv) the Corporate Services Provider’s fees and any Costs then due and payable or to become due and payable to the Corporate Services Provider under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (v) the Assets Trustee’s fees and any Costs then due and payable or to become due and payable to the Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (vi) the Replacement Assets Trustee’s fees and any Costs then due and payable or to become due and payable to the Replacement Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
- (d) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of the Servicer’s fees and any Costs then due and payable or to become due and payable to the Servicer under the provisions of the Servicing Agreement in the CBG Payment Period commencing on that CBG Payment Date;
- (e) next, in or towards payment *pro rata* and *pari passu* of:
 - (i) any fees and Costs then due and payable or to become due and payable in connection with the seeking of any Requisite CPF Loan Legal Title Transfer Approval under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and

- (ii) any fees and Costs then due and payable to any person (other than a party to a Transaction Document) and incurred without breach by the Covered Bond Guarantor of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere in this Guarantee Priority of Payments) and any such amounts expected to become due and payable by the Covered Bond Guarantor in the CBG Payment Period commencing on that CBG Payment Date;
- (f) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Cash Manager's fees and any costs, charges, liabilities and expenses then due and payable or to become due and payable to the Cash Manager under the provisions of the Cash Management Agreement in the CBG Payment Period commencing on that CBG Payment Date;
 - (ii) amounts (if any) then due and payable to the Account Bank (including any costs, charges, liabilities and expenses) pursuant to the terms of the Bank Account Agreement; and
 - (iii) amounts then due and payable to the Asset Monitor pursuant to the terms of the Asset Monitor Agreement;
- (g) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of all amounts then due and payable to the relevant Interest Rate Swap Provider (if any) (including any termination payment due and payable or to become due and payable by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement (if any), but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap Agreement (if any);
- (h) next, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof (and without double counting), of:
 - (i) the amounts then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the Covered Bond Swap Provider (other than in respect of principal) *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the Covered Bond Swap Agreement; and
 - (ii) (where appropriate, after taking into account all amounts received or receivable from the Covered Bond Swap Provider (other than in respect of principal) and available to make payments in respect thereof) Scheduled Interest that is Due for Payment (or that will become Due for Payment in the CBG Payment Period commencing on that CBG Payment Date) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (h) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Scheduled Interest that is or will be Due for Payment in respect of each Series of Covered Bonds under paragraph (h)(ii) above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the Covered Bond Guarantor to the Covered Bond Swap Provider under the Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made in respect thereof under

paragraph (h)(i) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

- (i) next, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof and after allowing for any payments made or to be made in respect of any Series of Covered Bonds pursuant to the terms of the Establishment Deed, of:

- (i) the amounts (in respect of principal) then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the Covered Bond Swap Provider *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantee under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) in accordance with the terms of the Covered Bond Swap Agreement; and
 - (ii) (where appropriate, after taking into account all amounts in respect of principal received or receivable from the Covered Bond Swap Provider and available to make payments in respect thereof) Scheduled Principal that is Due for Payment (or that will become Due for Payment in the CBG Payment Period commencing on that CBG Payment Date) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (i) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Scheduled Principal that is or will be Due for Payment in respect of each Series of Covered Bonds under paragraph (i)(ii) above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the Covered Bond Guarantor to the Covered Bond Swap Provider under the Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made in respect thereof under paragraph (i)(i) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

- (j) next, in or towards payment on the CBG Payment Date (if such date is an Interest Payment Date) or to provide for payment on any Interest Payment Date prior to the next following CBG Payment Date of the Final Redemption Amount (or portion thereof remaining unpaid) of any Series of Covered Bonds to which (x) an Extended Due for Payment Date applies and (y) whose Final Redemption Amount was not paid in full by the Extension Determination Date and (z) for the avoidance of doubt, to which paragraph (i) above does not apply, by making the following payments:

- (i) the amounts then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the Covered Bond Swap Provider (whether or not in respect of principal) *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) in accordance with the terms of the Covered Bond Swap Agreement; and
 - (ii) the Final Redemption Amount or the relevant proportion thereof *pro rata* and *pari passu* under the Covered Bond Guarantee in respect of each relevant Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders,

provided that if the amount available for distribution under this paragraph (j) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Final Redemption Amount in respect of the relevant Series of Covered Bonds under paragraph (j)(ii) above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the Covered Bond Guarantor to the Covered Bond Swap Provider under the Covered Bond Swap Agreement in respect of each Series of Covered Bonds under paragraph (j)(i) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

- (k) next, to deposit the remaining funds in the Transaction Account for application on the next following CBG Payment Date in accordance with the Guarantee Priority of Payments described in paragraphs (a) to (j) above (inclusive), until the Covered Bonds have been fully repaid or repayment in full of the Covered Bonds has been provided for (such that the Required Redemption Amount has been accumulated in respect of each outstanding Series of Covered Bonds);
- (l) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of any Excluded Swap Termination Amounts then due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement and the Interest Rate Swap Agreement(s) (if any), except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers;
- (m) next, in or towards crediting the CBG Retained Amount Ledger of the Covered Bond Guarantor in an amount equal to the CBG Retained Amount;
- (n) next, in or towards payment of all amounts (other than principal) then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date under the Intercompany Loan Agreement;
- (o) next, in or towards repayment of the outstanding principal balance of the Intercompany Loan;
- (p) next, in or towards payment of all amounts (other than principal) then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date under the Subordinated Loan Agreement;
- (q) next, in or towards repayment of the outstanding principal balance of the Subordinated Loan;
- (r) next, in or towards payment of or provision for any current or future obligation of the Covered Bond Guarantor, as determined by the Cash Manager; and
- (s) next, in or towards payment to the Seller of (a) the then Deferred Consideration Amount due to the Seller (in respect of Non-CPF Loans) and (b) the then Deferred Contribution Consideration Amount due to the Seller (in respect of CPF Loans).

Any late amounts, other than Swap Collateral Excluded Amounts, received by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement (if any) on or after the CBG Payment Date but prior to the next following CBG Payment Date will be applied by the Covered Bond Guarantor to the extent that any amounts were not able to be paid or provided for under the Guarantee Priority of Payments on the relevant CBG Payment Date due to the Covered Bond Guarantor receiving a late payment from the relevant Interest Rate Swap Provider (if any), promptly to pay or provide for those amounts in the order of priority specified in the Guarantee Priority of Payments.

Any late amounts, other than Swap Collateral Excluded Amounts, received by the Covered Bond Guarantor under any Covered Bond Swap on or after the CBG Payment Date but prior to the next following CBG Payment Date will be applied by the Covered Bond Guarantor, promptly to make the corresponding payment or provision in respect of the relevant Series of Covered Bonds in accordance with, as applicable, paragraphs (h), (i) and/or (j) of the Guarantee Priority of Payments.

If the Covered Bond Guarantor requires any available funds to be exchanged into a currency other than Singapore dollars, and such exchange would not be subject to or covered by the terms of a Covered Bond Swap Agreement, then the Covered Bond Guarantor (or the Cash Manager on its behalf) shall perform all necessary currency conversions at the then prevailing spot rate of exchange.

If any Swap Collateral Available Amounts are received by the Covered Bond Guarantor on a CBG Payment Date, such amounts shall be applied by the Covered Bond Guarantor (or by the Cash Manager on its behalf) on that CBG Payment Date in the same manner as it would have applied the receipts which such Swap Collateral Available Amounts replace.

If a Notice to Pay is served on the Covered Bond Guarantor and, prior to the first CBG Payment Date thereafter, any Scheduled Interest and/or Scheduled Principal is Due for Payment under the Covered Bond Guarantee, then the Covered Bond Guarantor (or the Cash Manager on its behalf) shall, out of Available Revenue Receipts and Available Principal Receipts then standing to the credit of the Revenue Ledger, the Principal Ledger, the Accrued Payments Ledger and the Reserve Ledger on the Transaction Account, pay such Scheduled Interest and/or Scheduled Principal, together with any amounts, other than Swap Collateral Excluded Amounts, then due and payable under the relevant Covered Bond Swap, in accordance with paragraphs (h) and (i) of the Guarantee Priority of Payments, as applicable, as if the relevant date was a CBG Payment Date and after providing for such portion (if any) of the payments and provisions to be made under paragraphs (a) to (g) of the Guarantee Priority of Payments on the first CBG Payment Date following service of the Notice to Pay on the Covered Bond Guarantor as the Covered Bond Guarantor (or the Cash Manager on its behalf) shall determine in its sole discretion.

Termination payments received in respect of Swaps, premiums received in respect of replacement Swaps and Tax Credits received in respect of Swaps

If at any time the Covered Bond Guarantor receives any termination payment from a Swap Provider in respect of a Swap, such termination payment will first be used (to the extent necessary) (prior to the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or the realisation of the Security) to pay a replacement Swap Provider to enter into a replacement Swap with the Covered Bond Guarantor, unless a replacement Swap has already been entered into on behalf of the Covered Bond Guarantor.

If at any time the Covered Bond Guarantor receives any premium from a replacement Swap Provider in respect of a replacement Swap, such premium will first be used to make any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Swap (including any Excluded Swap Termination Amount), unless such termination payment has already been made on behalf of the Covered Bond Guarantor.

If at any time the Covered Bond Guarantor receives or obtains any Tax Credits in respect of a Swap, the cash benefit relating to such Tax Credits (as determined in accordance with the relevant Swap Agreement) shall be paid by the Covered Bond Guarantor to the relevant Swap Provider as soon as practicable after receipt of the same from the relevant taxing authority in accordance with the terms of the relevant Swap Agreement and shall not be applied in accordance with the relevant Priorities of Payment.

Any termination payments received by the Covered Bond Guarantor which are not applied to pay a premium to a replacement Swap Provider(s) to enter into a replacement Swap Agreement(s) will be credited to the Revenue Ledger and applied as Available Revenue Receipts on the next succeeding CBG Payment Date.

Any premium received by the Covered Bond Guarantor from a replacement Swap Provider(s) to enter into a replacement Swap Agreement(s) which are not applied to pay a termination payment to the replaced Swap Provider(s) will be credited to the Revenue Ledger and applied as Available Revenue Receipts on the next succeeding CBG Payment Date.

Payment of funds following service of CBG Acceleration Notice

Following the occurrence of a CBG Event of Default and service by the Bond Trustee on the Covered Bond Guarantor of a CBG Acceleration Notice, the Security shall become enforceable. All monies received or recovered by the Security Trustee or any receiver (other than any amounts standing to the credit of the CBG Retained Amount Ledger, any Tax Credits, Third Party Amounts, All Monies Trust Property which the Seller is entitled to, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties, premium received by the Covered Bond Guarantor from a replacement Swap Provider to the extent it is used to make a termination payment due and payable by the Covered Bond Guarantor with respect to the Swap being replaced (including any Excluded Swap Termination Amount) and termination payment received from a Swap Provider which is applied to acquire a replacement for the relevant terminated Swap) will be applied, following enforcement of the Security, in accordance with the Post-Enforcement Priority of Payments (as described below).

Post-Enforcement Priority of Payments

From and including the time when the Bond Trustee serves a CBG Acceleration Notice on the Covered Bond Guarantor, no amount may be withdrawn from the CBG Accounts (other than the CBG Trust Account but only to the extent of the Seller Share and any amount required to be returned to the relevant Mortgagor pursuant to the terms of the Covered Bond Guarantor Declaration of Trusts) without the prior written consent of the Security Trustee.

On and from the occurrence of a CBG Event of Default and delivery of a CBG Acceleration Notice by the Bond Trustee to the Security Trustee (or if there are no Covered Bonds outstanding, following the occurrence of a default in the payment or discharge of any of the other Secured Obligations on its due date (subject to any applicable grace period)), the Security Trustee must distribute any net amount that it receives or recovers in respect of the Security (other than any amounts standing to the credit of the CBG Retained Amount Ledger, any Tax Credits, Third Party Amounts, All Monies Trust Property which the Seller is entitled to, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties, premium received by the Covered Bond Guarantor from a replacement Swap Provider to the extent it is used to make a termination payment due and payable by the Covered Bond Guarantor with respect to the Swap being replaced (including any Excluded Swap Termination Amount) and termination payment received from a Swap Provider which is applied to acquire a replacement for the relevant terminated Swap) (in each case to be applied in accordance with the Transaction Documents)) in the following order (the “**Post-Enforcement Priority of Payments**”) (in each case only if and to the extent that payments or provisions of a higher priority have been fully paid or otherwise provided for in full):

- (a) first, in or towards payment *pro rata* and *pari passu* of all amounts of interest due and payable in respect of the Demand Loan pursuant to the terms of the Intercompany Loan Agreement;
- (b) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) all amounts (including fees and Costs) due and payable or to become due and payable to the Bond Trustee (except amounts referred to in paragraph (f)(iii) below);
 - (ii) all amounts (including fees and Costs) due and payable or to become due and payable to the Security Trustee or any receiver acting under the English Security Trust Deed;

- (iii) all amounts (including fees and Costs) due and payable or to become due and payable to the Agents; and
 - (iv) all amounts (including fees and Costs) due and payable or to become due and payable to the Corporate Services Provider;
- (c) next, in or towards payment of any remuneration due and payable to the Servicer and any Costs due and payable or to become due and payable to the Servicer under the provisions of the Servicing Agreement;
- (d) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any remuneration due and payable to the Cash Manager and any Costs due and payable or to become due and payable to the Cash Manager under the provisions of the Cash Management Agreement;
 - (ii) amounts (if any) due and payable to the Account Bank (including any Costs) pursuant to the terms of the Bank Account Agreement; and
 - (iii) amounts due and payable to the Asset Monitor pursuant to the terms of the Asset Monitor Agreement, together with any applicable Taxes thereon;
- (e) next, in or towards payment of all amounts due and payable or to become due and payable to each Interest Rate Swap Provider (if any) *pro rata* and *pari passu* in respect of each Interest Rate Swap Provider (if any) (including any termination payment due and payable or to become due and payable by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement (if any), but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap Agreement (if any);
- (f) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) all termination payments due and payable or to become due and payable to the Covered Bond Swap Provider *pro rata* and *pari passu* in respect of each Covered Bond Swap (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the Covered Bond Swap Agreement;
 - (ii) (without double counting) all other amounts due and payable or to become due and payable to the Covered Bond Swap Provider (excluding any Excluded Swap Termination Amount) pursuant to the terms of the Covered Bond Swap Agreement; and
 - (iii) (where appropriate, after taking into account all amounts received or receivable from the Covered Bond Swap Provider and available to make payments in respect thereof) all Guaranteed Amounts that are Due for Payment under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders *pro rata* and *pari passu* in respect of each Series of Covered Bonds, *provided that* if the amount available for distribution under this paragraph (f)(iii) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Guaranteed Amounts that are Due for Payment in respect of each Series of Covered Bonds under this paragraph (f)(iii), then the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis;
- (g) next, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of any Excluded Swap Termination Amounts then due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement and the Interest Rate Swap Agreement(s) (if any), except

to the extent that such amounts have been paid out of any premium received from the relevant replacement Swap Providers;

- (h) next, in or towards crediting the CBG Retained Amount Ledger of the Covered Bond Guarantor in an amount equal to the CBG Retained Amount;
- (i) next, in or towards payment of all amounts due and payable under the Intercompany Loan Agreement;
- (j) next, in or towards payment of all amounts then due and payable under the Subordinated Loan Agreement; and
- (k) next, in or towards payment to the Seller of (a) the then Deferred Consideration Amount due to the Seller (in respect of Non-CPF Loans) and (b) the then Deferred Contribution Consideration Amount due to the Seller (in respect of CPF Loans).

For the avoidance of doubt, items described in paragraphs (g) to (k) inclusive above shall be paid only after all Guaranteed Amounts have been fully repaid or otherwise provided for.

Notwithstanding any other provision of a Transaction Document, the Security Trustee may only apply amounts in accordance with the Post-Enforcement Priority of Payments on and after the first CBG Payment Date following the earlier of:

- (a) 30 days following the service of a CBG Acceleration Notice on the Covered Bond Guarantor; and
- (b) the date the Asset Percentage is fixed following the service of a CBG Acceleration Notice in accordance with the Intercompany Loan Agreement.

Any Tax Credits, Third Party Amounts, All Monies Trust Property to which the Seller is entitled, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds received from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor or the CBG Beneficiary (or the Assets Trustee on the CBG Beneficiary's behalf) and certain other amounts payable to third parties will be applied in accordance with the terms of the relevant Transaction Documents and shall not be applied in accordance with the Post-Enforcement Priority of Payments.

Top-up Receipts and proceeds received from the sale of Top-up Loans

Top-up Receipts or proceeds from the sale of an interest in Top-up Loans received by the Covered Bond Guarantor will be used to repay Deemed Ancillary Intercompany Loan Advances in accordance with the terms of the Ancillary Intercompany Loan Agreement outside the Priorities of Payments.

TAXATION

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS 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, including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities ("QDS") scheme for early redemption fee (as defined in the Income Tax Act) and redemption premium (as such term has been amended by the Income Tax Act). 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 Covered Bonds or of any person acquiring, selling or otherwise dealing with the Covered Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Covered Bonds. 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 purchase, own or dispose of the Covered Bonds 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(s)) may be subject to special rules or tax rates. Prospective holders of the Covered Bonds are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Covered Bonds, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Covered Bond Guarantor, the Arrangers and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Covered Bonds.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act 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% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is currently 24%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person,

the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

Withholding Tax Exemption on Qualifying Payments by Specified Entities

Pursuant to Section 45I of the Income Tax Act, payments of income which are deemed under Section 12(6) of the Income Tax Act to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from 17 February 2012 to 31 December 2026. Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax). A specified entity includes a bank or merchant bank licensed under the Banking Act.

Qualifying Debt Securities Scheme

As the Programme as a whole is arranged by BNP Paribas, acting through its Singapore Branch, DBS Bank Ltd. and Maybank Securities Pte. Ltd., each of which is a Specified Licensed Entity (as defined below), any tranche of the Covered Bonds ("**Relevant Covered Bonds**") issued as debt securities under the Programme during the period from the date of this Offering Circular to 31 December 2028 would be QDS for the purposes of the Income Tax Act, to which the following treatment shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Covered Bonds in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Covered Bonds as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Covered Bonds of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Covered Bonds 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 Covered Bonds using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the "**Qualifying Income**") from the Relevant Covered Bonds, paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore, but the funds used by that person to acquire the Relevant Covered Bonds are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- (b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Covered Bonds in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Covered Bonds as the MAS may require), Qualifying Income paid by the Issuer and derived by any company or a body of persons (as defined in the Income Tax Act) in Singapore is subject to tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

- (i) the Issuer including in all offering documents relating to the Relevant Covered Bonds a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Covered Bonds is not exempt from tax shall include such income in a return of income made under the Income Tax Act; and
- (ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Covered Bonds in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Covered Bonds as the MAS may require,

payments of Qualifying Income derived from the Relevant Covered Bonds are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (a) if during the primary launch of any tranche of Relevant Covered Bonds, the Relevant Covered Bonds of such tranche are issued to fewer than four persons and 50% or more of the issue of such Relevant Covered Bonds is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Covered Bonds would not qualify as QDS; and
- (b) even though a particular tranche of Relevant Covered Bonds are QDS, if, at any time during the tenure of such tranche of Relevant Covered Bonds, 50% or more of such Relevant Covered Bonds which are outstanding at any time during the life of the issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Covered Bonds held by:
 - (i) any related party of the Issuer; or
 - (ii) any other person where the funds used by such person to acquire such Relevant Covered Bonds are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax described above.

Pursuant to the Income Tax Act, the reference to the term “**Specified Licensed Entity**” above means:

- (a) a bank or merchant bank licensed under the Banking Act;
- (b) a finance company licensed under the Finance Companies Act 1967 of Singapore; or
- (c) a person who holds a capital markets services licence under the SFA to carry on a business in any of the following regulated activities: advising on corporate finance or dealing in capital markets products.

The terms “**early redemption fee**”, “**redemption premium**” and “**related party**” are defined in the Income Tax Act as follows:

- (a) “**early redemption 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;
- (b) “**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 or on the early redemption of the securities; and
- (c) “**related party**”, in relation to a person (A), means any person (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person.

References to “early redemption fee”, “redemption premium” and “related party” in this Singapore tax disclosure have the same meaning as defined in the Income Tax Act .

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from any of the Relevant Covered Bonds 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 QDS under the Income Tax Act (as mentioned above) shall not apply if such person acquires such Relevant Covered Bonds using funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) derived from the Relevant Covered Bonds is not exempt from tax (including for the reasons described above) is required to include such income in a return of income made under the Income Tax Act.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Covered Bonds will not be taxable in Singapore. However, any gains derived by any person from the sale of the Covered Bonds as part of a trade or business carried on by that person in Singapore may be taxable as such gains are considered revenue in nature.

Holders of the Covered Bonds who apply or who are required to apply Singapore Financial Reporting Standard (“FRS”) 109 or SFRS(I)9 (as the case may be) for Singapore income tax purposes may be required to recognise gains or losses (not being gains or losses in the nature of capital) for tax purposes in accordance with the provisions of FRS 109 or SFRS(I) 9 (as the case may be) even though no sale or disposal of the Covered Bonds is made. See also “*Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes*”.

Adoption of FRS 109 or SFRS(I)9 for Singapore Income Tax Purposes

Section 34AA of the Income Tax Act requires taxpayers who comply or who are required to comply with SFRS(I)9 (as the case may be) 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 a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Covered Bonds who may be subject to the tax treatment under Section 34AA of the Income Tax Act should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Covered Bonds.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Payments by the Covered Bond Guarantor under the Covered Bond Guarantee

Pursuant to the Tax Incentive Scheme for Special Purpose Vehicle Engaged in Covered Bonds Transactions granted to the Covered Bond Guarantor and subject to meeting all the conditions thereunder (including that all Covered Bonds issued under the Programme are listed on the SGX-ST), the tax exemption or concessionary tax rate (as the case may be) for Qualifying Income under the QDS scheme applies to such payments made by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of Covered Bonds issued during the period from 1 February 2024 to 31 December 2028, as long as such Covered Bonds are QDS and continue to meet all the conditions under the QDS scheme (as described above).

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in a Programme Agreement dated on or about 19 March 2024 (the “**Programme Agreement**”) between the Issuer, the Dealers and the Arrangers, the Issuer may offer Covered Bonds from time to time to the Dealers. The Issuer may also sell Covered Bonds directly to investors.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Covered Bonds subscribed by it. The Issuer has agreed to reimburse the Arrangers for the expenses reasonably 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 Covered Bonds on a syndicated basis will be stated in the relevant subscription agreement between the Issuer and the relevant Dealer(s). The Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third parties commissions (including, without limitation, rebates to private banks).

The Arrangers, the Dealers or any of their respective affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Arrangers, the Dealers or any of their respective affiliates may have performed certain banking and advisory services for the Issuer, the Covered Bond 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 and other commercial dealings with and perform services for the Issuer, the Covered Bond Guarantor and/or their respective affiliates in the ordinary course of the Issuer's, the Covered Bond Guarantor's or their business. The Issuer may from time to time agree with the relevant Dealer(s) that the Issuer may pay certain third parties (including, without limitation, rebates to private banks as specified in the applicable Pricing Supplement).

In the ordinary course of their various business activities, the Arrangers, the Dealers or any of their respective affiliates may make or hold (on their own account, on behalf of clients or in their capacity as investment advisers) a *broad* array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and/or for the accounts of their clients, and may at any time hold long and short positions in such securities and instruments and enter into other transactions (including credit derivatives such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and activities (a) may involve securities and instruments of the Issuer, the Covered Bond Guarantor and/or their respective affiliates, including Covered Bonds issued under the Programme, (b) may be entered into at the same time or proximate to offers and sales of Covered Bonds or at other times in the secondary market, and (c) may be carried out with counterparties that are also purchasers, holders or sellers of Covered Bonds.

In connection with each tranche of Covered Bonds issued under the Programme, the Dealers or certain of their affiliates may purchase Covered Bonds and be allocated Covered Bonds for asset management and/or proprietary purposes, whether or not with a view to distribution. Further, the Dealers and/or their respective affiliates may place orders, receive allocations and purchase Covered Bonds for their own account (without a view to distributing such Covered Bonds) and such orders and/or allocations of the Covered Bonds may be material. Such entities may hold or sell such Covered Bonds, or purchase further Covered Bonds, for their own account in the secondary market or deal in any other securities of the Issuer or the Covered Bond Guarantor, and therefore, they may offer or sell the Covered Bonds or other securities otherwise than in connection with the offering. Accordingly, references herein to the Covered Bonds being “offered” should be read as including any offering of the Covered Bonds to the Arrangers, the Dealers and/or their respective affiliates for their own account. Such entities are not expected and do not intend to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Covered Bond Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Covered Bond Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Covered Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Covered Bond Guarantor or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any MiFID Product Governance Rules or UK MIFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Covered Bonds (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer or the Covered Bond Guarantor. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Covered Bonds. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Covered Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the

relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- (a) The name of each underlying investor;
- (b) A unique identification number for each investor;
- (c) Whether an underlying investor has any “Associations” (as used in the SFC Code);
- (d) Whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- (e) Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMI and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Covered Bond Guarantor, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer(s) with such evidence within the timeline requested.

Selling Restrictions

United States

The Covered Bonds 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 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 Covered Bonds 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.

The Covered Bonds are being offered and sold only outside the United States in offshore transactions in reliance on, and in compliance with, Regulation S.

Until 40 days after the commencement of the offering of any Series of Covered Bonds, an offer or sale of such Covered Bonds 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.

Prohibition of Sales to EEA Retail Investors

Unless the applicable Pricing Supplement in respect of any Covered Bonds specifies “Prohibition of Sales to EEA Retail Investors” as “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 has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Offering Circular as completed by the applicable Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (I) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (b) a customer (within the meaning of 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
 - (c) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”); and
- (II) 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 Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

If the applicable Pricing Supplement in respect of any Covered Bonds specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA, each Dealer 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 Covered Bonds 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 Covered Bonds to the public in that Member State:

- (i) if the Pricing Supplement in relation to the Covered Bonds specify that an offer of those Covered Bonds 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 Covered Bonds 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 pricing supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
 - (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
 - (iii) 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 Issuer for any such offer; or
 - (iv) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer of Covered Bonds referred to in (ii) to (iv) above shall require the 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 Covered Bonds to the public**” in relation to any Covered Bonds 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 Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds; and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129, as amended.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the applicable Pricing Supplement in respect of any Covered Bonds specifies “Prohibition of Sales to UK Retail Investors” as “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 has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Offering Circular as completed by the applicable Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (I) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (a) 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**”); or
 - (b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**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
 - (c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (II) 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 Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

If the applicable Pricing Supplement in respect of any Covered Bonds specifies “Prohibition of Sales to UK Retail Investors” as “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 has not made and will not make an offer of Covered Bonds 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 UK except that it may make an offer of such Covered Bonds to the public in the UK:

- (i) if the Pricing Supplement in relation to the Covered Bonds specify that an offer of those Covered Bonds 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 Covered Bonds which has been approved by the Financial Conduct Authority, 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 pricing supplement, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (iii) 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 UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Covered Bonds referred to in (ii) to (iv) above shall require the 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 Covered Bonds to the public**” in relation to any Covered Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds; 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

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Covered Bonds 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 Covered Bonds 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 Covered Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer or the Covered Bond Guarantor;
- (ii) 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 Covered Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Covered Bond Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the UK.

Hong Kong

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 Covered Bonds other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) and any rules made under that Ordinance; 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 (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; 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 Covered Bonds, 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 the Covered Bonds 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.

Japan

The Covered Bonds 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 Covered Bonds, 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.

Singapore

Unless the Pricing Supplement in respect of any Covered Bonds specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, 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 Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Covered Bonds or caused the Covered Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Covered Bonds or cause the Covered Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Covered Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulation 2018.

If the Pricing Supplement in respect of any Covered Bonds specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, 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, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Covered Bonds or caused such Covered Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell such Covered Bonds or cause such Covered Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Covered Bonds, 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 (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Covered Bonds are subscribed or purchased under Section 275 of the SFA, by a relevant person which is:

- (i) 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
- (ii) 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 Covered Bonds pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Sections 275(1)(A) or 276(4)(c)(ii) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 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 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.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Corporations Act**”)) in relation to the Programme or any Covered Bonds has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it:

- (a) has not made or invited, and will not make or invite, an offer of the Covered Bonds for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Offering Circular or any other offering material or advertisement relating to any Covered Bonds in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least AUD 500,000 (or its equivalent in an alternate currency, in either case, disregarding monies lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
- (ii) the offer does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws and regulations in Australia; and
- (iv) such action does not require any document to be lodged with ASIC.

Indonesia

Each Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge, that in compliance with Indonesian Capital Markets Law, the Covered Bonds may not be offered and sold in Indonesia or to any Indonesian investors (whether individual or entity) wherever they are domiciled or located in a manner which constitutes a public offering under Indonesian Capital Markets Law. The Covered Bonds have not been and will not be registered with or notified to the Financial Services Authority of Indonesia, and therefore may not be offered or sold in Indonesia or to Indonesian investors

(whether individual or entity), wherever they are domiciled or located in a manner which constitutes a public offering under Indonesian Capital Markets Law.

PRC

Each Dealer has represented, warranted and agreed, and each further dealer appointed under the Programme will be required to represent, warrant and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Covered Bonds in the PRC (excluding the Hong Kong and Macau Special Administrative Regions or Taiwan) as part of the initial distribution of the Covered Bonds.

General

These selling restrictions may be supplemented or modified by the agreement of the Issuer and any 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 Covered Bonds to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been or will be taken in any jurisdiction that would permit a public offering of any of the Covered Bonds, or possession or distribution of the Offering Circular or any other offering material or any supplemental Offering Circular or Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all relevant securities laws, regulations and directives in each jurisdiction (including, but not limited to, any licensing requirements in the relevant jurisdictions) in or from which it purchases, offers, sells or delivers Covered Bonds or has in its possession or distributes this Offering Circular, any other offering material or any Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefor. Other persons into whose hands this Offering Circular or any Pricing Supplement comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Covered Bonds or possess, distribute or publish this Offering Circular or any Pricing Supplement or any related offering material, in all cases at their own expense.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Dealers or any affiliate of any of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or such affiliate on behalf of the Issuer in such jurisdiction.

FORM OF PRICING SUPPLEMENT

Pricing Supplement dated [●]

MAYBANK SINGAPORE LIMITED

Issue of [Aggregate Nominal Amount of Tranche] [Title of Covered Bonds]

under the USD10,000,000,000 Global Covered Bond Programme

This document constitutes the Pricing Supplement relating to the issue of Covered Bonds described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 19 March 2024 [and the supplemental [Offering Circular] dated [●]]. This Pricing Supplement contains the final terms of the Covered Bonds and must be read in conjunction with such Offering Circular [as so supplemented]. [This Pricing Supplement, together with the information set out in Schedule [●] to this Pricing Supplement, supplements the Offering Circular and supersedes the information in the Offering Circular to the extent inconsistent with the information included therein.]

[The following language applies if any tranche of the Covered Bonds is intended to be “qualifying debt securities” (as defined in the Income Tax Act 1947 of Singapore):

Where interest, discount income, early redemption fee or redemption premium is derived from any of the Covered Bonds 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 1947 of Singapore (the “**Income Tax Act**”) shall not apply if such person acquires such Covered Bonds using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Covered Bonds is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under Offering Circular with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated [●]. This Pricing Supplement contains the final terms of the Covered Bonds and must be read in conjunction with the Offering Circular dated [●] [and the supplemental Offering Circular dated [●], save in respect of the Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

[The following language applies where one or more Managers on the drawdown is a MiFID Firm or UK MiFIR manufacturer:

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “**distributor**”) should take into consideration the manufacturer[’s/s’] 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 Covered Bonds (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds 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. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds 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 Covered Bonds 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**”); 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 IDD, 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. 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 Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[The following language applies where the Pricing Supplement in respect of any Covered Bonds specifies “*Singapore Sales to Institutional Investors and Accredited Investors only*” as “*Not Applicable*”]

[SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE NOTIFICATION: The Covered Bonds are “capital markets products other than prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and “Specified Investment Products” (as defined in the Monetary Authority of Singapore (“**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[The following language applies where CMLs are subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission:

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS - Prospective investors should be aware that certain intermediaries in the context of this offering of the Covered Bonds, including certain Managers, are “capital market intermediaries” (“**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“**OCs**”) for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Covered Bond Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association (an “**Association**”) with the Issuer, the Covered Bond Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Covered Bond Guarantor, or any CMI (including its group companies) should specifically disclose this when placing an order for the Covered Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). [A rebate [may be/of [X] bps is being] offered by the Issuer to all private banks for orders they place (other than in relation to Covered Bonds subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Covered Bonds distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Manager or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to this offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.]

[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. Note directions for completing the Pricing Supplement.]

- | | | |
|---|--|--|
| 1 | Issuer: | Maybank Singapore Limited |
| 2 | Covered Bond Guarantor: | Silver Fern Covered Bonds Pte. Ltd. |
| 3 | (i) Series Number: | [●] |
| | (ii) Tranche Number: | [●] |
| | (If fungible with an existing Series, details of that Series, including the date on which the Covered Bonds become fungible) | |
| 4 | Specified Currency or Currencies: | [●] |
| 5 | Aggregate Nominal Amount: | [●] |
| | (i) Series: | [●] |
| | (ii) Tranche: | [●] |
| 6 | (i) Issue Price: | [●]% of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (in the case of fungible issues only, if applicable)] |
| | (ii) [Net Proceeds: | [●] (Required only for listed issues)] |
| 7 | (i) Specified Denominations: | <p><i>If the Specified Denomination is expressed to be EUR 100,000 or its equivalent and multiples of a lower nominal amount (for example EUR 1,000), insert the following: “EUR 100,000 and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Covered Bonds in definitive form will be issued with a denomination above [EUR 199,000]”</i></p> <p><i>Covered Bonds (including Covered Bonds denominated in pound sterling) in respect of which the issue proceeds are to be accepted by the issuer in the UK 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 GBP 100,000 (or its equivalent in other currencies)</i></p> |
| | (ii) Calculation Amount: | [●] |
| | (iii) Trade Date: | [●] |
| | (iv) Issue Date: | [●] |
| 8 | Interest Commencement Date: | [Specify/Issue date/Not Applicable] |
| 9 | (i) Maturity Date: | [specify date or (for Floating Rate Covered Bonds or Fixed Rate Covered Bonds with adjusted Interest Payment Dates) Interest Payment Date falling in or nearest to the relevant month and year/None] |
| | (ii) Extended Due for Payment Date of Guaranteed Amounts | [specify date or (for Floating Rate Covered Bonds or Fixed Rate Covered Bonds with adjusted Interest |

corresponding to the Final Redemption Amount under the Covered Bond Guarantee:

Payment Dates) Interest Payment Date falling on or nearest to the relevant month and year, in each case falling [one year] after the Maturity Date/None]

[In accordance with the Conditions and this Pricing Supplement, if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Maturity Date (subject to applicable grace periods) and if the Guaranteed Amounts equal to the Final Redemption Amount of the relevant Series of Covered Bonds are not paid in full by the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date (the “**Extension Determination Date**”), then payment of the unpaid amount pursuant to the Covered Bond Guarantee shall be automatically deferred (without a CBG Event of Default occurring as a result of such non-payment) and shall be due and payable on the Extended Due for Payment Date (subject to any applicable grace periods), all in accordance with the Conditions]

- | | | |
|----|---|---|
| 10 | Interest Basis: | <p>[•]% Fixed Rate [from [•] to [•]]</p> <p>[specify reference rate] +/- [•]% Floating Rate</p> <p>[from [•] to [•]]</p> <p>[Zero Coupon]</p> <p>[Other (specify)]</p> <p>(further particulars specified below)</p> |
| | <p>[(i) Period from [and][but] [including][excluding]] the Issue Date up to [and][but] [including][excluding] the Maturity Date [if an Extended Due for Payment Date is applicable]</p> | |
| | <p>[(ii) Period from [and][but] [including][excluding] the Maturity Date up to [and][but] [including] [excluding] the Extended Due for Payment Date [if an Extended Due for Payment Date is applicable]</p> | <p>[•]% Fixed Rate [from [•] to [•]]</p> <p>[specify reference rate] +/- [•]% Floating Rate</p> <p>[from [•] to [•]]</p> <p>[Zero Coupon]</p> <p>[Other (specify)]</p> <p>(further particulars specified below)</p> |
| 11 | Redemption/Payment Basis: | [Redemption at par] [Instalment] [Other (specify)] |
| 12 | Change of Interest or Redemption: | <p>[Specify details of any Payment Basis: provision for convertibility of Covered Bonds into another interest or redemption/payment basis]</p> <p>[Add relevant fields per paragraphs 10, 11, 12, 18 and/or 19, as applicable, if an Extended Due for Payment Date is applicable]</p> |
| 13 | Put/Call Options: | <p>[Issuer Call]</p> <p>[(further particulars specified below)]</p> |
| 14 | (i) Status of the Covered Bonds: | The Covered Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer |
| | (ii) Status of the Covered Bond Guarantee: | The Covered Bond Guarantee is secured and unsubordinated |

- 15 Listing: [SGX-ST/(specify)/None]
- 16 Method of Distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 17 Fixed Rate Covered Bond Provisions: [Applicable/Not Applicable/Applicable from and including the [Issue Date/Interest Payment Date falling on [●] to but excluding the [Interest Payment Date falling on [●]/Maturity Date] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
(N.B. If an Extended Due for Payment Date is specified, interest following the Maturity Date will continue to accrue and be payable on any unpaid amount at a Rate of Interest determined in accordance with Condition 4)
- (ii) Interest Period: [Each period from and including the [Issue Date]/[Interest Payment Date falling on [●]] to (but excluding) the [subsequent Interest Payment Date falling on [●]/[Maturity Date]], except that the first Interest Period will commence on (and include) the [Issue Date]/[the Interest Payment Date falling on [●]] and the final Interest Period shall end (but exclude) the [Interest Payment Date falling on [●]/[Maturity Date].]
- (iii) Interest Payment Date(s): [●] in each year [commencing on the [Issue Date/Interest Payment Date falling on [●] and ending on the [Interest Payment Date falling on [●]/Maturity Date, or the Extended Due for Payment Date, if applicable]] [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/not adjusted]. [(provided, however, that, after the Extension Determination Date, the Interest Payment Date shall be monthly)]
- (iv) Business Day Convention: [Not Applicable/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)/not adjusted]
- (v) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
(For Renminbi or Hong Kong dollar denominated Fixed Rate Covered Bonds 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, in the case of Renminbi denominated Fixed Rate Covered Bonds, to the nearest CNY 0.01, CNY 0.005 being rounded upwards or, in the case of Hong Kong dollar denominated Fixed Rate Covered Bonds,

		to the nearest HKD 0.01, HKD 0.005 being rounded upwards")
(vi)	Broken Amount(s):	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.) [[•]] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]]
(vii)	Day Count Fraction:	[30/360/Actual/Actual (ICMA/ISDA)/other]
(viii)	Determination Dates:	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.) [[•]] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))]
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds:	[Not Applicable/give details]
18	Floating Rate Covered Bond Provisions:	[Applicable/Not Applicable/Applicable from and including the [Issue Date/Interest Payment Date falling on or nearest to [•]] to but excluding the [Interest Payment Date falling on or nearest to [•]/Maturity Date] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Interest Period(s):	[Each period from and including the [Issue Date]/[Interest Payment Date falling on [•]] to (but excluding) the [subsequent Interest Payment Date falling on or nearest to [•]/[Maturity Date]], except that the first Interest Period will commence on (and include) the [Issue Date]/[the Interest Payment Date falling on [•]] and the final Interest Period shall end (but exclude) the [Interest Payment Date falling on or nearest to [•]/[Maturity Date]]
(ii)	Interest Payment Date(s):	[•] in each [month]/[year] [commencing on the [Issue Date/Interest Payment Date falling on [•]] and ending on the [Interest Payment Date falling on [•]/Maturity Date]] [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted]
(iii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)/not adjusted]
(iv)	Business Centre(s):	[•]

- (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 Bank: [●]
 - Reference Rate: EURIBOR/HIBOR/ SONIA Benchmark/SOFR Benchmark/SORA Benchmark/Other *(give details)*
 - Interest Determination Date(s): [●]
 - Relevant Screen Page: [●]
 - Party responsible for calculation of Rate of Interest: [●] *(Specify where this is not the Calculation Agent)*
 - SONIA: [Applicable/Not Applicable]
 - SONIA Benchmark: [Compounded Daily SONIA/SONIA Index Average]
 - SONIA Observation Method: [Not Applicable/SONIA Observation Lag/SONIA Observation Shift/SONIA Lockout] *(Only applicable where the Reference Rate is Compounded Daily SONIA)*
 - "x": [Per the Conditions/[●] London Business Days]
 - SOFR: [Applicable/Not Applicable]
 - SOFR Benchmark: [Compounded Daily SOFR/SOFR Compounded Index]
 - Calculation method for Compounded Daily SOFR: [Not Applicable/SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout] *(Only applicable where the Reference Rate is Compounded Daily SOFR)*
 - SOFR [Lookback Days]/[Observation Shift Days]/[Interest Payment Delay Days]: [Not Applicable/Per Conditions/[●] U.S. Government Securities Business Day(s)] *(Only applicable where the Reference Rate is Compounded Daily SOFR and calculation method is SOFR Observation Lag/ SOFR Observation Shift/ SOFR Payment Delay)*
 - SOFR Rate Cut-Off Date: [Not Applicable/The day that is the [[●]] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest Period] *(Only applicable in the case of SOFR Payment Delay)*
 - SORA: [Applicable/Not Applicable]
 - SORA Benchmark: [Compounded Daily SORA/Compounded Index SORA]

	- Calculation method for Compounded Daily SORA:	[Not Applicable/SORA Observation Lag/SORA Observation Shift/SORA Payment Delay/SORA Lockout] <i>(Only applicable where the Reference Rate is Compounded Daily SORA)</i>
	- “x”:	[Per the Conditions/[●] Singapore Business Days]
	- Interest Payment Delay Days:	[Not Applicable/five Singapore Business Day(s)/other] <i>(Only applicable in the case of SORA Payment Delay)</i>
(viii)	ISDA Determination:	
	• ISDA Definitions:	[2006 ISDA Definitions]/[2021 ISDA Definitions]
	• Floating Rate Option:	[GBP-SONIA / USD-SOFR / SGD-SORA / [●]] <i>(If “2021 ISDA Definitions” is selected, ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions))</i>
	• Designated Maturity:	[[●] / Not Applicable] <i>(A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate)</i>
	• Reset Date:	[●]
	• Compounding:	[Applicable / Not Applicable] <i>(Only applicable where the Floating Rate Option is GBP-SONIA, USD-SOFR, SGD-SORA or other Overnight Floating Rate Option)</i>
	• Overnight Rate Compounding Method:	[Compounding with Lookback / Compounding with Observation Period Shift / Compounding with Lockout / Not Applicable]
	• Lookback:	[[●] Applicable Business Days / Not Applicable]
	• Observation Period Shift:	[[●] Observation Period Shift Business Days / Not Applicable]
	• Observation Period Shift Additional Business Days:	[[●] / Not Applicable] <i>(This is in reference to any additional financial centre(s) that should be factored in the determination of Observation Period beyond the standard financial centre(s) that is/are applicable for the selected Floating Rate Option per Floating Rate Matrix. For USD-SOFR, the default is U.S. Government Securities Business Day only, for GBP-SONIA the default is London Business Day only, for SGD-SORA, the default is Singapore Business Day only)</i>
	• Lockout:	[[●] Lockout Period Business Days / Not Applicable]
	• Lockout Period Business Days:	[[●] / Not Applicable] <i>(Specify the financial centre(s) for the purposes of the Lockout Business Days. If none are specified and Not Applicable is selected, the Lockout Business Days will be the Applicable Business Days (i.e. the rate business days))</i>
(ix)	Margin(s):	[+/-][●]% per annum

- (x) Minimum Rate of Interest: [[●]% per annum]/[Not Applicable]
- (xi) Maximum Rate of Interest: [●]% per annum
- (xii) Day Count Fraction: [●]
- (xiii) Rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions: [●]
- (xiv) Fallback provisions [Benchmark Discontinuation (General) (Condition 4(j)(i))/Benchmark Discontinuation (SOFR) (Condition 4(j)(ii))/Benchmark Discontinuation (SORA) (Condition 4(j)(iii))]/specify other if different from those set out in the Conditions]
- 19 Zero Coupon Covered Bond Provisions: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Amortisation Yield: [●]% per annum
- (ii) Any other formula/basis of determining amount payable: [●]

PROVISIONS RELATING TO REDEMPTION

- 20 Call Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Covered Bond and specified denomination method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) If redeemable in part:
- Minimum Redemption Amount: [●] per Calculation Amount
 - Maximum Redemption Amount: [●] per Calculation Amount
- (iv) Notice period (if other than as set out in the Conditions): [●]
- 21 Final Redemption Amount of each Covered Bond: [●] per Calculation Amount
- 22 Early Redemption Amount [●]
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 COVERED BONDS

23 Form of Covered Bonds:

Bearer Covered Bonds:

[Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds in the limited circumstances specified in the Permanent Global Covered Bond] [Temporary Global Covered Bond exchangeable for Definitive Covered Bonds on [●] days' notice] [Permanent Global Covered Bond exchangeable for Definitive Covered Bonds in the limited circumstances specified in the Permanent Global Covered Bond] *(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Covered Bonds in paragraph 7 includes language substantially to the following effect: "EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Covered Bonds which is to be represented on issue by a Temporary Global Covered Bond exchangeable for Definitive Covered Bonds.)*

Registered Covered Bonds:

Regulation S Global Covered Bond ([●] nominal amount) registered in the name of a nominee for a common depositary for Euroclear and Clearstream

24 Payment Days

[As per Condition 6(j)/ give details]

25 Financial Centre(s) or other special provisions relating to Payment Days:

Not Applicable/give details. Note that this paragraph relates to the date and place of payment

26 Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature):

[Applicable/Not Applicable. If Applicable, give details]

27 Details relating to Instalment Covered Bonds: amount of each instalment ("**Instalment Amount**"), date on which each payment is to be made ("**Instalment Date**"):

[Not Applicable/give details]

28 Other terms or special conditions:

[Not Applicable/give details]

DISTRIBUTION

- 29 (i) If syndicated, names of Managers: [Not Applicable/*give names*]
[The Issuer or any of its broker-dealers or other affiliates may engage in market-making transactions involving the Covered Bonds after their initial sale as permitted by applicable law, but none of the Issuer, any of its broker-dealer or its affiliates is obligated to do so or to make a market for the Covered Bonds]
- (ii) Stabilisation Coordinator (if any): [Not Applicable/*give name*]
- 30 If non-syndicated, name of Dealer: [Not Applicable/*give name*]
[The Issuer or any of its broker-dealers or other affiliates may engage in market-making transactions involving the Covered Bonds after their initial sale as permitted by applicable law, but none of the Issuer, any of its broker-dealer or its affiliates is obligated to do so or to make a market for the Covered Bonds]
- 31 Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA Not Applicable]
(TEFRA not applicable for Bearer Covered Bonds with a maturity of one year or less or Registered Covered Bonds)
(Where TEFRA D is applicable, a Bearer Covered Bond must be issued in the form of a temporary Global Covered Bond exchangeable upon a U.S. tax certification for a Permanent Global Covered Bond or a Definitive Covered Bond)
- 32 Additional Selling Restrictions: [Not Applicable/*give details*]
- 33 Prohibition of Sales to EEA Retail Investors: [Applicable/ Not Applicable]
(If the Covered Bonds clearly do not constitute “packaged” products or the Covered Bonds do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Covered Bonds may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
- 34 Prohibition of Sales to UK Retail Investors: [Applicable/ Not Applicable]
(If the Covered Bonds clearly do not constitute “packaged” products or the Covered Bonds do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Covered Bonds may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)

- 35 Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable/ Not Applicable]
(If the Covered Bonds are to be offered to Institutional Investors and Accredited Investors only, "Applicable" should be specified.)

HONG KONG SFC CODE OF CONDUCT

- 36 Rebates: [A rebate of [●] bps is being offered by the [Issuer] to all private banks for orders they place (other than in relation to [Bonds/Notes/Covered Bonds/Securities] subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the [Bonds/Notes/Covered Bonds/Securities] distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] / [Not Applicable]
- 37 Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: *[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – OCs to provide]* / [Not Applicable]
- 38 Marketing and Investor Targeting Strategy: *[if different from the Programme OC]*

OPERATIONAL INFORMATION

- 39 Ratings: [The Covered Bonds to be issued will not be rated/The Covered Bonds to be issued have been rated:]
[S&P: [●]]
[Moody's: [●]]
[Other: [●]]
(The above disclosure should reflect the rating allocated to Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)
- 40 ISIN Code: [●]
- 41 Common Code: [●]
- 42 Legal Entity Identifier (LEI): 549300TVTVALJC1NA695
- 43 Any clearing system(s) other than Euroclear Bank SA/N.V. and Clearstream Banking S.A. 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): [●]

46 Any Calculation Agent other than Deutsche Bank Aktiengesellschaft, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong or Deutsche Bank AG, Singapore Branch [Not Applicable/give *name*]

GENERAL

47 Applicable Governing Document: [Trust Deed dated 19 March 2024]
48 Governing Law: [English law save that defined terms incorporated by reference from the Master Definitions Agreement dated 19 March 2024 shall be governed by and construed in accordance with Singapore law]

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue *[[if listed]*, and admission to trading on the Singapore Exchange Securities Trading Limited] of the Covered Bonds described herein pursuant to the USD10,000,000,000 Global Covered Bond Programme of Maybank Singapore Limited]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of Maybank Singapore Limited:

By:
Duly authorised

Signed on behalf of Silver Fern Covered Bonds Pte.
Ltd.:

By:
Duly authorised

GENERAL INFORMATION

1. Application may be made to the SGX-ST for permission to deal in, and for quotation of, any Covered Bonds which are agreed at the time of issue to be listed on the SGX-ST. There can be no assurance that an application to the SGX-ST will be approved.
2. The Issuer has obtained all necessary consents, approvals and authorisations in Singapore in connection with the issue and performance of the Covered Bonds to be issued by it. The establishment of the Programme was approved by the Board of Directors of the Issuer on 22 December 2023.
3. There has been no material adverse change in the financial position of the Issuer since 31 December 2023.
4. The Issuer is not, and has not been, involved in any litigation or arbitration proceedings that may have, or have had during the 12 months preceding the date of this Offering Circular, a material adverse effect on the financial position of the Issuer and as of the date of this Offering Circular, the Issuer is not aware of any such litigation or arbitration either pending or threatened.
5. Each Bearer Covered Bond, Receipt, 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".
6. Covered Bonds have been accepted for clearance through the Euroclear and Clearstream systems (which are entities in charge of keeping the records). The Issuer may also apply to have Covered Bonds accepted for clearance through CDP and the CMU. The Common Code and the International Securities Identification Number (ISIN) for each Series of Covered Bonds will be set out in the applicable Pricing Supplement. The relevant CMU Instrument Number will be set out in the applicable Pricing Supplement.
7. The Legal Entity Identifier (LEI) of Maybank Singapore Limited is 549300TVTVALJC1NA695.
8. The issue price and the amount of the relevant Covered Bonds will be determined based on then prevailing market conditions before filing of the applicable Pricing Supplement of each Tranche with the SGX-ST (with respect to Covered Bonds listed on the SGX-ST). The Issuer does not intend to provide any post-issuance information in relation to any issues of Covered Bonds.
9. From the date of this Offering Circular and for so long as any Covered Bonds are outstanding under the Programme, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:
 - (i) the Trust Deed;
 - (ii) the Agency Agreement;
 - (iii) the forms of the Global Covered Bonds, the Definitive Covered Bonds, the Receipts, the Coupons and the Talons;
 - (iv) the audited financial statements of the Issuer for the years ended 31 December 2023 and 31 December 2022;
 - (v) any audited financial statements of the Issuer which are published after the date of this Offering Circular;

- (vi) each Pricing Supplement (save that each Pricing Supplement relating to a Covered Bond which is not listed on a stock exchange will only be available for inspection by a holder of such Covered Bond); and
- (vii) a copy of this Offering Circular or any further Offering Circular and any supplementary Offering Circular or other document that supplements to the Programme.

In addition, from the date of this Offering Circular and for so long as any Covered Bonds are outstanding under the Programme, upon prior written notice and satisfactory proof of holding to the Bond Trustee, the above documents listed under (i), (ii), (iii) and (vii) will be available to Covered Bondholders free of charge during usual business hours (being 10am to 3pm Monday to Friday, excluding public holidays) from the Bond Trustee (a) at the principal office of the Bond Trustee (presently at One Raffles Quay, South Tower, Level 16, Singapore 048583), and (b) electronically via e-mail.

10. Copies of the latest financial statements of the Issuer may be obtained at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Covered Bonds is outstanding.

GLOSSARY

Account Bank	Maybank Singapore Limited or such other replacement bank or financial institution with the Account Bank Required Ratings;
Account Bank Required Ratings	In respect of the Account Bank, a short-term unsecured and unsubordinated debt obligation rating that is at least A-1 from S&P and a long-term unsecured and unsubordinated debt obligation rating that is at least Baa3 from Moody's or such other lower rating as is expected by Moody's or, as the case may be, S&P to maintain the then current rating of the Covered Bonds;
Accounting Reference Date	In each year: <ul style="list-style-type: none"> (a) in respect of the Seller, 31 December; (b) in respect of the Issuer, 31 December; and (c) in respect of the CBG, 31 December;
Accrued Interest	In respect of a Loan as at any date the aggregate of all interest accrued but not yet due and payable on the Loan from (and including) the Monthly Payment Date immediately preceding the relevant date to (but excluding) the relevant date;
Accrued Payments Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement, to record the credits and debits of certain Available Revenue Receipts and certain Available Principal Receipts set aside and retained, and which would otherwise be distributed to <i>inter alios</i> , the Intercompany Loan Provider and the Subordinated Loan Provider, in accordance with the terms of the Establishment Deed;
Additional Contribution	The contribution payable by the CBG Beneficiary to the Assets Trustee (i) for the purchase from the Seller of Trust Assets (which shall form part of the relevant New Portfolio) on each Closing Date after the First Closing Date which shall be equal to the True Balance as at the Cut-off Date of the CPF Loans constituting such Trust Assets sold as at the relevant Closing Date and funded in accordance with the Declaration of Assets Trust or (ii) on each CBG Payment Date which shall be equal to any increase in the True Balance of any CPF Loans or increase in the outstanding balance in any Top-up Loans in the Portfolio;
Adjusted Aggregate Loan Amount	The meaning given in the section " <i>Summary of the Principal Documents — Establishment Deed — Asset Coverage Test</i> ";
Adjusted Required Redemption Amount	The meaning given in the section " <i>Summary of the Principal Documents — Establishment Deed — Right of Pre-emption</i> ";

Advance	An amount advanced, or to be advanced, by the Intercompany Loan Provider to the CBG under the Intercompany Loan Agreement, including Deemed Advances;
Agency Agreement	The agency agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the Issuer, the CBG, the Bond Trustee, the Security Trustee, the Issuing and Paying Agent and the other agents named therein;
Agent	Each of the Paying Agents, the Registrar, the Calculation Agent and the Transfer Agent or any of them and shall include such other Agent or Agents as may be appointed from time to time under the Agency Agreement (including, without limitation, any such agents appointed in accordance with Clause 2 of the Agency Agreement);
All Monies Beneficiaries	The meaning given in the section “ <i>Summary of the Principal Documents — All Monies Mortgages and the CBG Declaration of Trusts</i> ”;
All Monies Mortgage	A Mortgage that secures or purports to secure the repayment of a Loan (and/or any related Top-up Loans) as well as any Associated Debt extended by the Seller to the Borrower or the Mortgagor (as the case may be);
All Monies Trust	The separate trust of each All Monies Mortgage (and other All Monies Trust Property representing, derived from or relating to that All Monies Mortgage) declared by the All Monies Trustee in favour of the All Monies Beneficiaries pursuant to the CBG Declaration of Trusts;
All Monies Trust Property	<p>(In respect of each All Monies Trust):</p> <ul style="list-style-type: none"> (a) all rights, estate, title, interests, benefits and remedies of the CBG or, as the case may be, the CBG Beneficiary (both present and future) in and under the All Monies Mortgage acquired under the terms of the Mortgage Sale Agreement or, as the case may be, the Declaration of Assets Trust; (b) the proceeds of enforcement of the All Monies Mortgage referred to in (a) above and the Related Security referred to in (d) below which secures sums due by the relevant Borrower and/or the relevant Mortgagor under the relevant Loan(s), the relevant Top-up Loan(s) and/or the relevant Associated Debt; (c) all amounts referable to the proceeds of enforcement of the relevant All Monies Mortgage and Related Security referred to in (b) above standing to the credit of the CBG Trust Account from time to time; (d) all rights, estate, title, interests, benefits and remedies of the All Monies Trustee (both present and future) in and under any Related Security acquired under the

	terms of the Mortgage Sale Agreement and the Declaration of Assets Trust which may respond to all liabilities of the relevant Borrower and/or Mortgagor incurred or to be incurred in relation to the relevant Loan(s), relevant Top-up Loan(s) and/or the relevant Associated Debt;
	(e) any additions to the All Monies Trust Property acquired after the date of the CBG Declaration of Trusts; and
	(f) all assets representing the above from time to time or derived therefrom or created or acquired by the All Monies Trustee in that capacity from time to time;
All Monies Trustee	The CBG in its capacity as trustee of an All Monies Trust;
Amortisation Test	The test as to whether the Amortisation Test Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date as of the immediately preceding Calculation Date;
Amortisation Test Aggregate Loan Amount	The meaning given in the section “ <i>Summary of the Principal Documents — Establishment Deed — Amortisation Test</i> ”;
Ancillary Intercompany Loan	The aggregate outstanding principal amount of the Deemed Ancillary Intercompany Loan Advances made pursuant to the Ancillary Intercompany Loan Agreement;
Ancillary Intercompany Loan Agreement	The ancillary intercompany loan agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made between the Ancillary Intercompany Loan Provider, the CBG, the CBG Beneficiary, the Assets Trustee, the Cash Manager and the Security Trustee;
Ancillary Intercompany Loan Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record all payments of interest and repayments of principal on each of the Deemed Ancillary Intercompany Loan Advances;
Ancillary Intercompany Loan Provider	Maybank Singapore Limited;
Arrears of Interest	As at any date in respect of any Loan, interest (other than Capitalised Interest or Accrued Interest) on that Loan which is currently due and payable and unpaid on that date;
Asset Coverage Test	The test as to whether the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date as of the immediately preceding Calculation Date;
Asset Coverage Test Breach Notice	The notice required to be served by the Bond Trustee if the Asset Coverage Test has not been met on two consecutive Calculation Dates (subject to the Bond Trustee having actual knowledge or express notice of the same);

Asset Monitor	Ernst & Young LLP, whose registered office is at One Raffles Quay, #18-01, Singapore 048583 (or such other replacement Asset Monitor appointed from time to time) appointed in accordance with the terms of the Asset Monitor Agreement as an independent monitor to perform tests in respect of the Asset Coverage Test and the Amortisation Test when required;
Asset Monitor Agreement	The asset monitor agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made between the Asset Monitor, the CBG, the CBG Beneficiary, the Cash Manager, the Issuer, the Seller, the Assets Trustee, the Bond Trustee and the Security Trustee;
Asset Monitor Report	The results of the tests conducted by the Asset Monitor in accordance with the Asset Monitor Agreement to be delivered to each party to the Asset Monitor Agreement and the Servicer;
Asset Percentage	The meaning given in the section “ <i>Summary of the Principal Documents — Establishment Deed — Asset Coverage Test</i> ”;
Asset Percentage Adjusted True Balance	The meaning given in the section “ <i>Summary of the Principal Documents — Establishment Deed — Asset Coverage Test</i> ”;
Asset Pool	All assets of the CBG from time to time, including, but not limited to, the Portfolio, any Authorised Investments, any Substitution Assets, the rights of the CBG in the Transaction Documents, the Transaction Account and all amounts standing to the credit thereto and any other asset falling within the definition of “cover pool” in MAS Notice 648 other than any Swap Collateral, Top-up Loans or Associated Debt (if applicable) which, for the avoidance of doubt, shall not be recorded as forming part of the Asset Pool;
Asset Registers	<p>The registers maintained by the Servicer and the Cash Manager in respect of:</p> <ul style="list-style-type: none"> (a) assets in the cover pool (as defined in MAS Notice 648) of the CBG and the CBG Beneficiary (including, for the avoidance of doubt, its interest in the Assets Trust); and (b) other assets of the CBG and the CBG Beneficiary securing the liabilities of the CBG and the CBG Beneficiary to the Secured Creditors,
Assets Trust	<p>The trust declared in accordance with and pursuant to the terms of the Declaration of Assets Trust, whereby the Assets Trustee declares itself as trustee and agrees to hold:</p> <ul style="list-style-type: none"> (a) (in respect of the Initial Portfolio) all the Seller’s present and future rights, estate, title, interests, benefits and remedies on and from the Cut-off Date in and to each

and every CPF Loan and Related Security comprised in the Initial Portfolio and any related Top-up Loans; and

- (b) (in respect of each New Portfolio) all the Seller's present and future rights, estate, title, interests, benefits and remedies on and from the Cut-off Date in and to each and every CPF Loan and Related Security comprised in such New Portfolio and any related Top-up Loans,

on and from the First Closing Date on trust absolutely as to both capital and income for the CBG Beneficiary, upon, with and subject to the trusts, powers and provisions of the Declaration of Assets Trust;

Assets Trust Ledger

The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement, to record all credits and debits of Available Revenue Receipts, Available Principal Receipts and Deferred Contribution Consideration in respect of CPF Loans in the Portfolio;

Assets Trustee

Maybank Singapore Limited, as trustee of the Assets Trust;

Assets Trustee Power of Attorney

The power of attorney made by the Assets Trustee in favour of the CBG Beneficiary and the Security Trustee in accordance with the Declaration of Assets Trust;

Associated Debt

The indebtedness which (i) a Borrower or a Mortgagor (as the case may be) owes or may owe to the Seller from time to time which is secured on the same Mortgage securing a Loan granted by the Seller to that Borrower or that Mortgagor (as the case may be) and (ii) is not purchased by the CBG under the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;

Authorised Investments

Cash or other authorised investments permitted to be held by the CBG under MAS Notice 648, provided that such authorised investments comprise of:

- (a) demand or time deposits, certificates of deposit and other short term unsecured debt obligations provided that, in each case, at the time the deposit is made or the certificate or obligation is acquired the then current rating of the unsecured and unguaranteed debt obligations of that institution (or, where the investment in question is guaranteed, of the guaranteeing institution) is at least AA- or A-1+ or AAAm by S&P and at least P-1 or A2 (if applicable) from Moody's, or in each case such other ratings as may be required by the Rating Agencies from time to time; or
- (b) short term unsecured debt obligations issued by a body corporate provided that the then current rating of the unsecured and unguaranteed debt obligations of that body corporate (or where the debt obligations in

Available Principal Receipts

question are guaranteed, of the guaranteeing institution) is at least AA- or A-1+ or AAAm by S&P and at least P-1 or A2 (if applicable) from Moody's, or in each case such other ratings as may be required by the Rating Agencies from time to time,

provided that in all cases such authorised investments mature on or before the next following CBG Payment Date;

As of a Calculation Date, an amount equal to the aggregate of (without double counting):

- (a) the amount of Principal Receipts received (whether by the CBG, the Servicer on its behalf or otherwise) during the immediately preceding Calculation Period;
- (b) any other amount standing to the credit of the Principal Ledger;
- (c) the proceeds of any Advances or Subordinated Advances (other than Deemed Advances or Deemed Subordinated Advances) (where such proceeds have not been applied to acquire New Portfolios, refinance an existing Advance or Subordinated Advance, invest in Authorised Investments or Substitution Assets or as a credit to the Pre-Maturity Liquidity Ledger or the Reserve Ledger);
- (d) the proceeds from any sale of Loans (including, but not limited to, Selected Loans) pursuant to the terms of the Establishment Deed, the Mortgage Sale Agreement or the Declaration of Assets Trust to the extent that such proceeds represent principal;
- (e) the proceeds from the sale of Substitution Assets or Authorised Investments pursuant to the terms of the Establishment Deed to the extent such proceeds represent principal;
- (f) the amount of any Excess Proceeds standing to the credit of the Transaction Account;
- (g) the amount standing to the credit of the Reserve Ledger in excess of the Reserve Fund Required Amount to the extent such amount represents the amount drawn under the Intercompany Loan Agreement or the Subordinated Loan Agreement to fund the Reserve Fund;
- (h) following the service of a Notice to Pay, the relevant amount standing to the credit of the Accrued Payments Ledger which is to be applied on the immediately following CBG Payment Date in accordance with the Establishment Deed; and
- (i) following repayment of any Hard Bullet Covered Bonds by the Issuer or the CBG on the Maturity Date thereof or if the Issuer is no longer failing the Pre-Maturity Test,

any amounts standing to the credit of the Pre-Maturity Liquidity Ledger in respect of such Series of Hard Bullet Covered Bonds (except where the CBG is required to retain such amounts on the Pre-Maturity Liquidity Ledger under the Transaction Documents) and which are not Available Revenue Receipts, as of that Calculation Date,

less or excluding (as applicable and without double counting) any:

- (A) Swap Collateral Excluded Amounts;
- (B) Swap Collateral;
- (C) principal (or, in respect of cross-currency swaps, exchange amounts) received under the Covered Bond Swap Agreements;
- (D) any termination premium under any Swap required to be used to purchase a replacement Swap;
- (E) any All Monies Trust Property which the Seller is entitled to;
- (F) Third Party Amounts; and
- (G) Tax Credits;

Available Revenue Receipts

As of a Calculation Date, an amount equal to the aggregate of (without double counting):

- (a) the amount of Revenue Receipts received (whether by the CBG or the Servicer on its behalf or otherwise) during the immediately preceding Calculation Period;
- (b) other net income of the CBG received during the immediately preceding Calculation Period including:
 - (i) all interest received by the CBG on the CBG Accounts (including, but not limited to, in respect of amounts representing Authorised Investments or Substitution Assets) (other than the Swap Collateral Accounts, but including Swap Collateral Available Amounts);
 - (ii) all amounts received by the CBG representing income on any Substitution Assets and Authorised Investments in the preceding Calculation Period;
 - (iii) the proceeds received from any sale of Loans (including, but not limited to, Selected Loans) pursuant to the terms of the Establishment Deed, the Mortgage Sale Agreement or the Declaration of Assets Trust to the extent that such proceeds comprise interest or fee amounts (including, for the avoidance of doubt but without double

counting, Accrued Interest and Arrears of Interest);

- (iv) amounts received by the CBG under the relevant Interest Rate Swap Agreement (if any) (excluding any termination payment received from the relevant Interest Rate Swap Provider (if any) to the extent applied to acquire a replacement Interest Rate Swap); and
 - (v) the amount of any termination payment received from a Swap Provider which is not applied to acquire a replacement for the relevant terminated Swap;
- (c) prior to the service of a Notice to Pay or an Asset Coverage Test Breach Notice (or, if such notice has been served, it has been revoked), amounts standing to the credit of the Reserve Fund in excess of the Reserve Fund Required Amount and which are not part of Available Principal Receipts in each case as of that Calculation Date;
 - (d) following the service of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund in each case as of that Calculation Date;
 - (e) following the service of a Notice to Pay, the relevant amount standing to the credit of the Accrued Payments Ledger which is to be applied on the immediately following CBG Payment Date in accordance with the Establishment Deed;
 - (f) (i) the amount of any premium received by the CBG from a new Swap Provider as consideration for the entry by the CBG into a new Swap during the immediately preceding Calculation Period, except to the extent applied to pay any termination payment under the relevant Swap being replaced and/or (ii) the amount of any termination payment received by the CBG from a Swap Provider, except to the extent applied to pay a premium to a replacement Swap Provider to enter into a replacement Swap Agreement;
 - (g) prior to the service of a Notice to Pay or an Asset Coverage Test Breach Notice (or, if such notice has been served, it has been revoked), following repayment of any Hard Bullet Covered Bonds by the Issuer on the Maturity Date thereof or if the Issuer is no longer failing the Pre-Maturity Test, any amounts standing to the credit of the Pre-Maturity Liquidity Ledger in respect of such Series of Hard Bullet Covered Bonds (except where the CBG is required to retain such amounts on the Pre-Maturity Liquidity

	<p>Ledger under the Transaction Documents) to the extent funded through Revenue Receipts; and</p> <p>(h) any other revenue receipts not referred to in paragraphs (a) to (g) (inclusive) above received during the previous Calculation Period and standing to the credit of the Revenue Ledger,</p> <p>less or excluding (as applicable and without double counting) any:</p> <p>(A) Third Party Amounts;</p> <p>(B) Tax Credits;</p> <p>(C) Swap Collateral Excluded Amounts;</p> <p>(D) All Monies Trust Property which the Seller is entitled to; and</p> <p>(E) amounts in respect of interest received by the CBG under each Covered Bond Swap Agreement;</p> <p>For the avoidance of doubt, Available Revenue Receipts shall not include any amounts standing to the credit of the CBG Retained Amount Ledger;</p>
Bank Account Agreement	The bank account agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among, <i>inter alios</i> , the CBG, the Account Bank, the Cash Manager and the Security Trustee;
Banking Act	Banking Act 1970 of Singapore;
Banking (CG) Regulations	Banking (Corporate Governance) Regulations 2005, of Singapore;
Banking Regulations	Banking Regulations, of Singapore;
Basel Committee	Basel Committee on Banking Supervision;
Basel III	<i>Basel III: A global regulatory framework for more resilient banks and banking systems</i> published on 16 December 2010 by the Basel Committee;
Beneficiary Assignee	The meaning given in the section “ <i>Summary of the Principal Documents — Declarations of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee</i> ”;
Bond Trustee	DB International Trust (Singapore) Limited in its capacity as bond trustee under the Trust Deed together with any successor bond trustee or additional bond trustees appointed from time to time;
Borrower	In relation to a Loan, the individual or individuals specified as such in the relevant Mortgage Instrument together with the individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it;
Building Maintenance and Strata Management Act	Building Maintenance and Strata Management Act 2004 of Singapore;

Business Day	The meaning given in the Conditions;
Business Day Convention	The meaning given in the Conditions;
Calculation Agent	In relation to all or any Series of the Covered Bonds, the person initially appointed as calculation agent in relation to such Covered Bonds by the Issuer and the CBG pursuant to the Agency Agreement or, if applicable, any successor or separately appointed calculation agent in relation to all or any Series of the Covered Bonds;
Calculation Date	The first day after the end of the immediately preceding Calculation Period. The first Calculation Date shall be the first day after the end of the calendar month during which the First Closing Date falls;
Calculation Period	The period from, and including, the first day of each month to, and including, the last day of that month except that the first Calculation Period means the period from and including the First Closing Date to and including the last day of the month in which the First Closing Date falls (or, if the First Closing Date falls on the last day of that month, the last day of the following month);
Capitalised Expenses	In relation to a Loan, the amount of any expense, charge, fee, premium or payment (excluding, however, any Arrears of Interest) capitalised and added to the principal balance of that Loan (to which the Servicer applies the relevant interest rate at which interest on that Loan accrues) in accordance with the relevant Mortgage Conditions;
Capitalised Interest	For any Loan at any date, interest which is overdue in respect of that Loan and which as at that date has been added to the principal balance of that Loan (to which the Servicer applies the relevant interest rate at which interest on that Loan accrues) in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower or the relevant Mortgagor (as the case may be) (excluding, for the avoidance of doubt, any Arrears of Interest which have not been so capitalised on that date);
Cash Management Agreement	The cash management agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among, <i>inter alios</i> , the CBG, the CBG Beneficiary, the Seller, the Assets Trustee, the Servicer, the Cash Manager, the Corporate Services Provider, the Bond Trustee and the Security Trustee;
Cash Manager	Maybank Singapore Limited, in its capacity as cash manager under the Cash Management Agreement together with any successor cash manager appointed from time to time;
CBG or Covered Bond Guarantor	Silver Fern Covered Bonds Pte. Ltd. (UEN/Company Registration No. 202404632R);

CBG Acceleration Notice	A notice in writing given by the Bond Trustee to the Issuer and the CBG (copied to the Security Trustee), that each Covered Bond of each Series is, and each Covered Bond of each Series will as against the Issuer (if not already due and repayable against it following an Issuer Event of Default) and as against the CBG, thereupon immediately become due and repayable at its Early Redemption Amount together with accrued interest as provided in and in accordance with the Trust Deed and thereafter the Security shall become enforceable if any of the CBG Events of Default shall occur and be continuing;
CBG Accounts	The Transaction Account and any additional or replacement accounts opened in the name of the CBG, including a Swap Collateral Account and the CBG Trust Account;
CBG Beneficiary	Silver Fern Covered Bonds Pte. Ltd. (UEN/Company Registration No. 202404632R), as beneficiary of the Assets Trust;
CBG Declaration of Trusts	The declaration of trust dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the CBG, the CBG Beneficiary, the Seller, the All Monies Trustee and the All Monies Beneficiaries;
CBG Event of Default	The meaning given in Condition 9(b) (<i>Covered Bond Guarantor Events of Default</i>);
CBG Payment Date	The 20 nd day of each month or if not a Singapore Business Day the next following Singapore Business Day and the first CBG Payment Date will be the 20th day of the calendar month after the calendar month during which the First Closing Date falls;
CBG Payment Period	The period from (and including) a CBG Payment Date to (but excluding) the next following CBG Payment Date and the first CBG Payment Period will commence on the First Closing Date;
CBG Retained Amount	SGD 850 per month, which the CBG may use as it shall deem fit;
CBG Retained Amount Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record payments of the CBG Retained Amount;
CBG Share	The part of the All Monies Trust Property comprised in each All Monies Trust to which the CBG or, as the case may be, CBG Beneficiary is entitled as determined and calculated in accordance with the CBG Declaration of Trusts;
CBG Trust Account	The account in the name of the CBG held with the Account Bank into which the proceeds of enforcement of each of the All Monies Mortgages and any other Related Security are credited;

CDP Paying Agent	Deutsche Bank AG, Singapore Branch or any successor appointed as CDP Paying Agent under the Programme pursuant to the Agency Agreement;
Charged Property	The property charged by the CBG pursuant to the Deeds of Charge, as more fully described under “ <i>Summary of the Principal Documents — Deeds of Charge</i> ”;
Closing Date	Each of the First Closing Date and the closing date of the sale of any New Portfolio to the CBG in accordance with the Mortgage Sale Agreement and the Declaration of Assets Trust;
CMU Lodging and Paying Agent	The agent appointed by the Issuer pursuant to the Agency Agreement for lodgement services with the CMU, which as at the Programme Date is Deutsche Bank AG, Hong Kong Branch or any successor CMU lodging and paying agent;
Companies Act	Companies Act 1967 of Singapore, as amended, and any regulations made pursuant to it;
Conditions	Terms and conditions of the Covered Bonds (as set out in Schedule 2 Part C to the Trust Deed);
Converted Loan	A Non-CPF Loan in the Portfolio in respect of which CPF Withdrawal Approval is obtained after the Cut-off Date in respect of such Non-CPF Loan but prior to the service of a Notice to Pay or a CBG Acceleration Notice (whichever is earlier);
Corporate Services Agreement	The corporate services agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made between the Corporate Services Provider, the CBG, the Bond Trustee and the Security Trustee;
Corporate Services Provider	Intertrust Singapore Corporate Services Pte. Ltd. (UEN/Company Registration No. 198702411W), together with any successor corporate services provider appointed from time to time;
Costs	Any loss, damage, cost, charge, claim, demand, expense, judgment, decree, action, proceeding or other liability whatsoever, including, without limitation, in respect of: <ul style="list-style-type: none"> (a) Taxes; (b) in the case of the Bond Trustee and the Agents only, any amounts in respect of GST or other similar Tax; (c) in the case of all parties other than the Bond Trustee and the Agents, any amounts in respect of GST or other similar Tax to the extent not recoverable from a government, Tax, revenue or other similar authority; and (d) legal fees and expenses on a full indemnity basis;
Covered Bond Guarantee	An unconditional and irrevocable guarantee by the CBG in the Trust Deed for the payment of Guaranteed Amounts in

	respect of the Covered Bonds when the same shall become Due for Payment;
Covered Bond Swap Agreement	Each agreement between the CBG and the Covered Bond Swap Provider governing Covered Bond Swap(s) entered into with such Covered Bond Swap Provider in the form of an ISDA Master Agreement, including a schedule, a credit support annex and confirmations in relation to each such Covered Bond Swap;
Covered Bond Swap Early Termination Event	The meaning given in the section “ <i>Summary of the Principal Documents — Covered Bond Swap Agreement</i> ”;
Covered Bond Swap Provider	Each provider of a Covered Bond Swap under a Covered Bond Swap Agreement;
Covered Bond Swap Rate	In relation to a Tranche or Series of Covered Bonds, the exchange rate specified in the Covered Bond Swap(s) relating to such Tranche or Series of Covered Bonds or, if the Covered Bond Swap(s) have been terminated, the applicable spot rate;
Covered Bond Swaps	Swap transactions governed by the Covered Bond Swap Agreement;
CPF	Central Provident Fund;
CPF Act	Central Provident Fund Act 1953 of Singapore;
CPF Board	The Central Provident Fund Board constituted under Section 3 of the CPF Act;
CPF Funds	The monies standing to the credit of a Mortgagor’s account(s) maintained with the CPF Board which may be used for financing or refinancing the purchase or acquisition of a Property or the repayment and/or servicing of the loan obtained for (i) the purchase or acquisition of a Property, and/or (ii) (where applicable and approved by the CPF Board) the costs of construction of a new dwelling house thereon;
CPF Loan	all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which: <ul style="list-style-type: none"> (a) <ul style="list-style-type: none"> (i) prior to the Cut-off Date in respect of such loans, the CPF Withdrawal Approval has been obtained; or (ii) prior to the Cut-off Date in respect of such loans, the relevant Mortgagor has indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; and (b) the CPF Board’s consent to the transfer or assignment of the Mortgage over such Property securing such loans is required (and such CPF Board’s consent is not obtained prior to the Cut-off Date in respect of such

loans) in order for the CBG and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property,

and which are sold by the Seller and purchased by the CBG from time to time and which are held on trust by the Assets Trustee under the terms of the Declaration of Assets Trust for the CBG Beneficiary, and comprise the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to such loans under the relevant Mortgage Conditions by such Borrower or Mortgagor (as the case may be) on the security of the Mortgage over such Property from time to time outstanding, or, as the context may require, such Borrower's or Mortgagor's obligations in respect of the same but excluding any loan which is repurchased by the Seller or otherwise sold by the CBG and no longer beneficially owned by the CBG Beneficiary (including, for the avoidance of doubt, any loan in respect of which the CBG Beneficiary has assigned absolutely its beneficial interest pursuant to the Declaration of Assets Trust). For the avoidance of doubt, no loan referred to above shall be construed or deemed to be a Top-up Loan;

CPF Withdrawal Approval

The approval of the CPF Board for the utilisation of CPF Funds by a Borrower or a Mortgagor (as the case may be) towards:

- (i) the financing or refinancing of the purchase or acquisition of a Property by the Borrower or the Mortgagor (as the case may be); and/or
- (ii) the repayment and/or servicing of the loans obtained by the Borrower or the Mortgagor (as the case may be) for financing or refinancing the purchase of the Property by the Borrower or the Mortgagor (as the case may be) and/or (where applicable and approved by the CPF Board) the costs of construction of a new dwelling house on that Property;

Cut-off Date

The date falling five Singapore Business Days prior to:

- (i) (in the case of the Initial Portfolio) the First Closing Date;
- (ii) (in the case of a New Portfolio) the relevant Closing Date; and
- (iii) (in the case of the sale of Top-up Loans pursuant to Clause 5 of the Mortgage Sale Agreement or Clause 7 of the Declaration of Assets Trust) the date of completion of the sale specified in the relevant New Portfolio Notice;

CPFTA	Consumer Protection (Fair Trading) Act 2003 of Singapore;
Declaration of Assets Trust	The declaration of assets trust dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the Seller, the Assets Trustee, the Security Trustee, the CBG, the CBG Beneficiary and the All Monies Trustee;
Deed of Assignment	An assignment of, <i>inter alia</i> , Non-CPF Loans, their Related Security (and any related Top-up Loans) and rights of action against third parties substantially in the form set out in the Mortgage Sale Agreement;
Deeds of Charge	The Singapore Deed of Charge together with the English Security Trust Deed;
Deemed Advances	Deemed advances will arise under the Intercompany Loan if, as at any Calculation Date: <ul style="list-style-type: none"> (a) the True Balance of a Loan in the Portfolio increases as a result of Capitalised Interest accruing on that Loan or any other increase in the True Balance of that Loan; or (b) there is a Deemed Subordinated Advance outstanding, and, in each case, the Deemed Advance Preconditions are satisfied on the relevant Calculation Date;
Deemed Advance Preconditions	<ul style="list-style-type: none"> (a) the aggregate outstanding principal amount of Advances after giving effect to the Deemed Advance does not exceed the Intercompany Loan Facility Amount; and (b) no Issuer Event of Default, CBG Event of Default or Demand Loan Repayment Event has occurred and is outstanding on the relevant Calculation Date or CBG Payment Date (as applicable) or would result from the Deemed Advance;
Deemed Ancillary Intercompany Loan Advance	An amount advanced, or to be advanced, by the Ancillary Intercompany Loan Provider to the CBG under the Ancillary Intercompany Loan Agreement;
Deemed Subordinated Advances	Amounts which are not able to constitute Deemed Advances under the Intercompany Loan Agreement because the Deemed Advance Preconditions are not satisfied;
Defaulted Loan	Any Loan in the Portfolio which is more than three months in arrears;
Defaulted Loans Notice	A notice from the Cash Manager to the Seller identifying any Defaulted Loan;
Deferred Consideration	The consideration payable to the Seller in respect of the Non-CPF Loans and their Related Security in the Portfolio sold to the CBG from time to time, which is payable after making payments of a higher order of priority as set out in the relevant Priorities of Payment and ranks <i>pari passu</i> with Deferred Contribution Consideration (if any);

Deferred Consideration Amount

Such amount calculated in accordance with the formula below to determine the amount of Deferred Consideration that is payable on a CBG Payment Date:

$$DC \times (A/C)$$

Where:

DC = the amount of (i) Available Revenue Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (p) of the Pre-Acceleration Revenue Priority of Payments or (ii) Available Revenue Receipts and Available Principal Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (r) of the Guarantee Priority of Payments or (iii) proceeds distributable by the Security Trustee in accordance with the Singapore Deed of Charge after payment of all other amounts set out in paragraphs (a) to (j) of the Post-Enforcement Priority of Payments, as the case may be;

A = the aggregate outstanding balance of Non-CPF Loans; and

C = the aggregate outstanding balance of all Loans;

Deferred Contribution

The contribution payable by the CBG Beneficiary to the Assets Trustee in respect of the Trust Assets in the Portfolio which shall be deemed to be made each time Deferred Contribution Consideration is paid by the CBG Beneficiary (or the Assets Trustee on its behalf) to the Seller;

Deferred Contribution Consideration

The consideration payable by the CBG Beneficiary (or the Assets Trustee on its behalf) to the Seller in respect of the Trust Assets in the Portfolio sold by the Seller to the CBG from time to time, which is payable after making payments of a higher order of priority as set out in the relevant Priorities of Payments, such amount to be calculated by the Cash Manager pursuant to the terms of the Cash Management Agreement and, for the avoidance of doubt, shall not form part of the Trust Assets on payment to the Seller;

Deferred Contribution Consideration Amount

Such amount calculated in accordance with the formula below to determine the amount of Deferred Contribution Consideration that is payable on a CBG Payment Date:

$$DC \times (B/C)$$

Where:

DC = the amount of (i) Available Revenue Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (p) of the Pre-Acceleration Revenue Priority of Payments or (ii) Available Revenue Receipts and Available Principal Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (r) of the Guarantee Priority of Payments or (iii) proceeds distributable by the Security Trustee in accordance with the Singapore Deed of Charge after payment of all other

amounts set out in paragraphs (a) to (j) of the Post-Enforcement Priority of Payments, as the case may be;

B = the aggregate outstanding balance of CPF Loans; and

C = the aggregate outstanding balance of all Loans;

The demand loan portion of the Intercompany Loan;

Demand Loan

Demand Loan Repayment Assets

(a) payment in cash held by the CBG to the Intercompany Loan Provider *PROVIDED THAT* to the extent there are any Converted Loans in the Portfolio, the portion of the Demand Loan equal to the aggregate True Balance thereof may only be repaid in kind by way of such Converted Loans (and may not be repaid in cash); and/or

(b) payment in kind:

(I) (i) (in respect of Non-CPF Loans and their Related Security) where the Seller and the Intercompany Loan Provider are the same entity and the sale of the relevant Non-CPF Loans and their Related Security has not been perfected, by the reassignment, release and surrender of the CBG's rights, estate, title, interests, benefits and remedies to such Non-CPF Loans and their Related Security such that they vest completely in favour of the Intercompany Loan Provider and (ii) (in respect of CPF Loans and their Related Security) where the Assets Trustee and the Intercompany Loan Provider are the same entity and the CBG Beneficiary has not surrendered its beneficial interest in such CPF Loans and their Related Security to the Intercompany Loan Provider, by the CBG Beneficiary directing the Assets Trustee to accept the surrender of its beneficial interest in the relevant CPF Loans and their Related Security (which are subject to an Assets Trust) such that they vest completely in favour of the Assets Trustee in its capacity as the Intercompany Loan Provider (and, "in kind" shall be construed accordingly depending on whether the relevant Loans are Non-CPF Loans or CPF Loans);

(II) if the legal title to the relevant Loans and their Related Security has been transferred to (in respect of Non-CPF Loans) the CBG or, as the case may be, (in respect of CPF Loans) the Replacement Assets Trustee, by transferring such Loans and their Related Security to the Intercompany Loan Provider (provided all relevant consents required thereto are obtained); and/or

	(III) by transferring Authorised Investments and/or Substitution Assets (other than cash);
Demand Loan Repayment Date	The CBG Payment Date immediately following the delivery of the Demand Loan Repayment Notice, or, in the case of service of a Notice to Pay or a CBG Acceleration Notice, the CBG Payment Date following the date on which the Asset Percentage was fixed;
Demand Loan Repayment Event	<p>(i) an Interest Rate Swap Agreement has been entered into and the Intercompany Loan Provider (in its capacity as the Interest Rate Swap Provider) is required to novate the Interest Rate Swap Agreement to a third party; or</p> <p>(ii) the Intercompany Loan Agreement is terminated;</p>
Demand Loan Repayment Notice	The notice, in the form or substantially in the form set out in the Intercompany Loan Agreement, to be delivered upon the CBG being required to repay all or part of the Demand Loan;
Distribution	Any distribution made by the Assets Trustee from the Trust Assets in consideration of the surrender by the CBG Beneficiary of its interest in the relevant CPF Loans and its Related Security (and any related Top-up Loans) (and includes any distribution of Principal Receipts, Revenue Receipts and Top-up Receipts by the Assets Trustee to the CBG Beneficiary pursuant to the terms of the Declaration of Assets Trust);
Due for Payment	<p>The requirement by the CBG to pay any Guaranteed Amounts following the delivery of a Notice to Pay on the CBG:</p> <p>(a) prior to the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice, on the later of:</p> <p>(i) the date on which the Scheduled Payment Date in respect of such Guaranteed Amounts is reached, or, if later, the day which is two Business Days following service of a Notice to Pay on the CBG in respect of such Guaranteed Amounts or if the applicable Pricing Supplement specified that an Extended Due for Payment Date is applicable to the relevant Series of Covered Bonds, the Interest Payment Date (as set out in the applicable Pricing Supplement) that would have applied if the Maturity Date of such Series of Covered Bonds had been the Extended Due for Payment Date or such other Interest Payment Date(s) specified in the applicable Pricing Supplement (the “Original Due for Payment Date”); and</p> <p>(ii) in relation to any Guaranteed Amounts in respect of the Final Redemption Amount payable on the Maturity Date for a Series of Covered Bonds only,</p>

the Extended Due for Payment Date, but only (A) if in respect of the relevant Series of Covered Bonds the Covered Bond Guarantee is subject to an Extended Due for Payment Date pursuant to the terms of the applicable Pricing Supplement and (B) to the extent that the CBG having received a Notice to Pay no later than the date falling one Business Day prior to the Extension Determination Date does not pay Guaranteed Amounts equal to the Final Redemption Amount in respect of such Series of Covered Bonds by the Extension Determination Date because the CBG has insufficient monies available under the Guarantee Priority of Payments to pay such Guaranteed Amounts in full on the earlier of (1) the date which falls two Business Days after service of such Notice to Pay on the CBG or, if later, the Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9(b)(i) (*Non-Payment*)) under the terms of the Covered Bond Guarantee or (2) the Extension Determination Date,

or, if, in either case, such day is not a Business Day, the next following Business Day. For the avoidance of doubt, Due for Payment does not refer to any earlier date upon which payment of any Guaranteed Amounts may become due under the guaranteed obligations, by reason of prepayment, acceleration of maturity, mandatory or optional redemption or otherwise save as provided in paragraph (b) below; or

- (b) following the occurrence of a CBG Event of Default, the date on which a CBG Acceleration Notice is served on the Issuer and the CBG;

Earliest Maturing Covered Bonds

At any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the Transaction Account) that has or have the earliest Maturity Date as specified in the applicable Pricing Supplement (ignoring any acceleration of amounts due under the Covered Bonds prior to the occurrence of a CBG Event of Default);

Early Redemption Amount

The Early Redemption Amount specified in the applicable Pricing Supplement;

Eligibility Criteria

The requirement that each Loan:

- (a) is originated and booked after 1 January 2017;
- (b) is denominated and repayable in SGD;
- (c) is a mortgage loan which has been fully drawn (and where the Borrower or the Mortgagor (as the case may

be) has no right to re-borrow any amount prepaid or repaid);

- (d) is secured by a mortgage over a residential property situated in Singapore and (i) title of the Mortgagor to such residential property must have been separately issued and (ii) (if applicable) the leasehold interest of the Mortgagor in such residential property must not be for a term of less than 30 years after the latest maturity date of the relevant Loans secured by that Mortgage;
- (e) is repayable by the relevant Borrower and/or the relevant Mortgagor within 40 years of the relevant Closing Date;
- (f) is a loan under which the Borrower or the Mortgagor (as the case may be) has made at least one monthly payment in respect thereof;
- (g) is not in arrears for more than one month as at the relevant Closing Date;
- (h) is not a construction loan which has not been fully drawn down, renovation loan, overdraft or such other revolving facility;
- (i) is secured by a mortgage that constitutes a first ranking mortgage, save for (i) any charge registered or notified by the CPF Board in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board, (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax, (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions, (iv) any statutory charge in favour of the tax authority in respect of unpaid Estate Duty (where applicable) and (v) any other charges arising under any written law; and
- (j) is not a Staff Mortgage Loan;

Eligible Asset Monitor

An asset monitor which satisfies the requirements as set out in the Asset Monitor Agreement which are broadly as follows:

- (i) is qualified to be an auditor under the Companies Act; and
- (ii) is approved as an accounting limited liability partnership for the purposes of the Accountants Act 2004 of Singapore, as amended, and any regulations made pursuant to it;

English Security Trust Deed

The English law security trust deed (as amended, restated, supplemented or novated from time to time) dated the Programme Date and made among the CBG, the Assets Trustee, the CBG Beneficiary, the Seller, the Issuer, the Intercompany Loan Provider, the Ancillary Intercompany

	Loan Provider, the Subordinated Loan Provider, the Servicer, the Account Bank, the Cash Manager, the Covered Bond Swap Provider, the Interest Rate Swap Provider(s) (if any), the Corporate Services Provider, the Agents, the Bond Trustee and the Security Trustee;
Establishment Deed	The deed dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the CBG, the CBG Beneficiary, the Seller, the Assets Trustee, the Servicer, the Cash Manager, the Bond Trustee and the Security Trustee;
Estate Duty	The estate duty leviable under the Estate Duty Act;
Estate Duty Act	Estate Duty Act 1929 of Singapore;
Excess Proceeds	Monies received (following the occurrence of an Issuer Event of Default and delivery of an Issuer Acceleration Notice) by the Bond Trustee from the Issuer or any liquidator, receiver (including receiver and manager), administrator, trustee, judicial manager or similar official that is appointed in relation to the Issuer or its assets or undertaking;
Excluded Swap Termination Amount	In relation to a Swap Agreement, an amount equal to the amount of any termination payment due and payable (a) to the relevant Swap Provider as a result of a Swap Provider Default with respect to such Swap Provider or (b) to the relevant Swap Provider following a Swap Provider Downgrade Event with respect to such Swap Provider;
Extended Due for Payment Date	In relation to any Series of Covered Bonds, the date, if any, specified as such in the applicable Pricing Supplement to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Maturity Date or the Extension Determination Date;
Extension Determination Date	In respect of a Series of Covered Bonds, the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date of such Series of Covered Bonds;
Extraordinary Resolution	A resolution of the Covered Bondholders passed as such under the terms of the Trust Deed;
Final Redemption Amount	The final redemption amount specified in the applicable Pricing Supplement;
First Closing Date	The date on which the Initial Portfolio is sold to the CBG pursuant to the Mortgage Sale Agreement and the Declaration of Assets Trust;
GST	Any goods and services tax payable pursuant to the Goods and Services Tax Act 1993 of Singapore, and the regulations gazetted thereunder, as amended from time to time;

Guarantee Loan	The guarantee loan portion of the Intercompany Loan;
Guarantee Priority of Payments	The meaning given in the section “ <i>Cashflows and Priorities of Payment — Allocation and Distribution of Monies following Service of a Notice to Pay</i> ”;
Guaranteed Amounts	Prior to the service of a CBG Acceleration Notice, with respect to any Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, the sum of Scheduled Interest and Scheduled Principal, in each case, payable on that Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, or after service of a CBG Acceleration Notice, an amount equal to the relevant Early Redemption Amount as specified in the Conditions plus all accrued and unpaid interest and all other amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all amounts payable by the CBG under the Trust Deed;
Guidelines	Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated 3 April 2013) comprising the Code of Corporate Governance 2012 for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS;
Hard Bullet Covered Bonds	Covered Bonds which are scheduled to be redeemed in full on their relevant Maturity Date without any provision for scheduled redemption other than on the Maturity Date;
HDB	The Housing and Development Board of Singapore established under Section 3 of the Housing and Development Act 1959 of Singapore;
Income Tax Act	Income Tax Act 1947 of Singapore;
Indexed Valuation	At any date in relation to a Property, the Valuation of the Property increased or decreased as appropriate by the increase or decrease in the Reference Index since the date of that Valuation;
Initial Advance	In respect of any Loan, the original principal amount (together with the amount of any retention) advanced by the Seller to the relevant Borrower and/or relevant Mortgagor;
Initial Demand Loan Repayment Notice	The meaning given in the section “ <i>Summary of the Principal Documents – Intercompany Loan Agreement – Repayment of the Demand Loan</i> ”;
Initial Portfolio	The Loans and their Related Security, particulars of which will be delivered on the First Closing Date pursuant to the Mortgage Sale Agreement and the Declaration of Assets Trust (other than any Loans and their Related Security which have been redeemed in full prior to the Cut-off Date), and includes all rights, estate, title, interests, benefits and

remedies of the Seller on and from the Cut-off Date in and to:

- (a) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, Capitalised Interest and Capitalised Expenses) and other sums due or to become due in respect of such Loans and Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all covenants and any undertakings made or expressed to be made in favour of the Seller under the applicable Mortgage Conditions;
- (b) subject where applicable to the subsisting rights of redemption of Borrowers and/or the Mortgagors (as the case may be), any collateral security for the repayment of the relevant Loans;
- (c) the right to exercise all the powers of the Seller in relation thereto;
- (d) all the estate and interest in the Properties vested in the Seller; and
- (e) the proceeds of all claims made by or on behalf of the Seller or to which the Seller is entitled in respect of any Insurance Policy in relation to any such Loan;

Insolvency Event

In respect of the Seller, the Assets Trustee, the Servicer, the CBG or the Cash Manager:

- (a) an order is made or an effective resolution passed for the winding-up of the relevant entity;
- (b) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business;
- (c) an encumbrancer takes possession or a receiver, judicial manager, administrative receiver or other similar officer is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or enforced upon or sued out against the whole or any material part of the chattels or property of the relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or
- (d) the relevant entity is unable to pay its debts as they fall due;

Insurance Policy

Any insurance policy in favour of the Seller in relation to the Loans and any endorsements or extensions thereto as issued from time to time (and Insurance Policies shall be construed accordingly);

Intercompany Loan	All Advances made by the Intercompany Loan Provider to the CBG under the Intercompany Loan Agreement;
Intercompany Loan Agreement	The loan agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made between the Intercompany Loan Provider, the Assets Trustee, the Cash Manager, the Servicer, the CBG, the CBG Beneficiary and the Security Trustee;
Intercompany Loan Facility Amount	S\$10,000,000,000 or such other amount as the Intercompany Loan Provider and the CBG (at the direction of the Cash Manager) may agree from time to time;
Intercompany Loan Ledger	The ledger of such name maintained by the Cash Manager (or the Corporate Services Provider to which the Cash Manager has delegated such function) pursuant to the Cash Management Agreement to record all payments of interest and repayments of principal on each of the Advances under the Intercompany Loan;
Intercompany Loan Provider	Maybank Singapore Limited;
Interest Payment Date	Such date(s) as may be specified in the applicable Pricing Supplement in accordance with the Conditions;
Interest Rate Swap	The interest rate swap transaction (if any) governed by an Interest Rate Swap Agreement;
Interest Rate Swap Agreement	Each agreement (if any) between the CBG and an Interest Rate Swap Provider (if any) governing the Interest Rate Swap (if any) entered into with such Interest Rate Swap Provider in the form of an ISDA Master Agreement, including a schedule, a credit support annex and confirmation in relation to such Interest Rate Swap;
Interest Rate Swap Early Termination Event	The meaning given in the section “ <i>Summary of the Principal Documents — Interest Rate Swap Agreement</i> ”;
Interest Rate Swap Provider	An interest rate swap provider (if any) under the relevant Interest Rate Swap(s) (if any) under the relevant Interest Rate Swap Agreement (if any) together with any successor interest rate swap provider thereto;
Investments Ledger	The ledger maintained by the Cash Manager pursuant to the Cash Management Agreement in respect of Authorised Investments and Substitution Assets acquired and disposed of by or on behalf of the CBG;
Investor Report	The monthly report made available to the Covered Bondholders, the Security Trustee, the Bond Trustee and the Rating Agencies detailing, <i>inter alia</i> , compliance with the Asset Coverage Test and which are posted on the Issuer’s website at www.maybank2u.com.sg ;
IRDA	The Insolvency, Restructuring and Dissolution Act 2018 of Singapore, as amended, and any regulations made pursuant to it;
ISDA	International Swaps and Derivatives Association, Inc.;

ISDA Master Agreement	The 1992 ISDA Master Agreement (Multicurrency Cross Border), as published by ISDA;
Issue Date	Each date on which the Issuer issues Covered Bonds to the Covered Bondholders;
Issuer Acceleration Notice	The meaning given in Condition 9(a) (<i>Issuer Events of Default</i>);
Issuer Event of Default	The meaning given in Condition 9(a) (<i>Issuer Events of Default</i>);
Issuing and Paying Agent	Deutsche Bank AG, Hong Kong Branch in respect of each Series of Covered Bonds (other than CDP Covered Bonds) (or such other Issuing and Paying Agent as may be appointed from time to time pursuant to the Agency Agreement). All references to the "Issuing and Paying Agent" shall (i) with respect to CMU Covered Bonds, be deemed to be references to the CMU Lodging and Paying Agent to the extent necessary for enabling the CMU Lodging and Paying Agent to fully observe and perform its obligations and (unless the context requires otherwise) all such references shall be construed accordingly and (ii) with respect to CDP Covered Bonds, be deemed to be references to the CDP Paying Agent to the extent necessary for enabling the CDP Paying Agent to fully observe and perform its obligations and (unless the context requires otherwise) all such references shall be construed accordingly;
Land Acquisition Act	Land Acquisition Act 1966 of Singapore;
Land Titles Act	Land Titles Act 1993 of Singapore, and shall include where applicable the Land Titles (Strata) Act;
Land Titles Registry	The Land Titles Registry of the Singapore Land Authority established under the Land Titles Act and administered by the Registrar of Titles;
Land Titles (Strata) Act	Land Titles (Strata) Act 1967 of Singapore;
Ledger	Each of the Revenue Ledger, the Principal Ledger, the Pre-Maturity Liquidity Ledger, the Accrued Payments Ledger, the Subordinated Loan Ledger, the Intercompany Loan Ledger, the Ancillary Intercompany Loan Ledger, the Investments Ledger, the Payment Ledger, the Reserve Ledger, the CBG Retained Amount Ledger, the Swap Collateral Account Ledger and the Assets Trust Ledger;
Lending Criteria	The lending criteria of the Seller from time to time, or such other criteria as would be acceptable to a Reasonable, Prudent Mortgage Lender;
Loan Account	The loan account in the Seller's records relating to one or more loans secured by a Mortgage;
Loan Agreement	In relation to a Loan, the loan agreement (including, without limitation, the relevant letter of offer and the relevant letter of variation) entered into between the relevant Borrower, the

	relevant Mortgagor (if different from the relevant Borrower) and the Seller, as revised, amended, restated, supplemented, superseded or novated from time to time;
Loan Files	The file or files relating to each Loan (including files kept in microfiche format or similar electronic data retrieval system or the substance of which is transcribed and held on an electronic data retrieval system) containing, <i>inter alia</i> , the application form, the Loan Agreement, the Valuation Report (if applicable) and, to the extent available, the solicitor's Report on Title, relevant to that Loan;
Loan Interest Period	In respect of any Advance, Subordinated Advance or Deemed Ancillary Intercompany Loan Advance, each period from and including the first day of each calendar month (or, in the case of the first Loan Interest Period, the Drawdown Date of the Advance, Subordinated Advance or Deemed Ancillary Intercompany Loan Advance) to but excluding the first day of the next calendar month;
Loan Repurchase Notice	A notice in substantially the form set out in the Mortgage Sale Agreement served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Loans	(i) CPF Loans and (ii) Non-CPF Loans, and each a Loan;
LTV	Loan-to-value;
LTV Adjusted True Balance	The meaning given in the section " <i>Summary of the Principal Documents — Establishment Deed — Asset Coverage Test</i> ";
MAS	The Monetary Authority of Singapore established under Section 3 of the MAS Act;
MAS Act	Monetary Authority of Singapore Act 1970 of Singapore;
MAS Notice 612	MAS Notice 612 on Credit Files, Grading and Provisioning;
MAS Notice 632	MAS Notice 632 on Residential Property Loans;
MAS Notice 637	MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore;
MAS Notice 643	MAS Notice 643 on Transactions with Related Parties;
MAS Notice 648	MAS Notice 648 on the Issuance of Covered Bonds by Banks incorporated in Singapore;
MAS Notice 649	MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio;
MAS Notice 651	MAS Notice 651 on Liquidity Coverage Ratio Disclosure;
MAS Notice 652	MAS Notice 652 on Net Stable Funding Ratio;
MAS Notice 758	MAS Notice 758 on Minimum Cash Balance;
Master Definitions Agreement	The master definitions agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the parties to the Transaction Documents;

Material Adverse Effect

As the context specifies:

- (a) a material adverse effect on the validity or enforceability of any of the Transaction Documents; or
- (b) in respect of a Transaction Party, a material adverse effect on:
 - (i) the business, operations, assets, property, condition (financial or otherwise) or prospects of such Transaction Party; or
 - (ii) the ability of such Transaction Party to perform its obligations under any of the Transaction Documents; or
 - (iii) the rights or remedies of such Transaction Party under any of the Transaction Documents; or
- (c) in the context of the Loans and their Related Security, a material adverse effect on the interests of the Covered Bond Guarantor or the Security Trustee in the Loans and their Related Security, or on the ability of the Covered Bond Guarantor (or the Servicer on the Covered Bond Guarantor's behalf) to collect the amounts due under the Loans and their Related Security or on the ability of the Security Trustee to enforce the Security; or
- (d) a material adverse effect on the validity or enforceability of any of the Covered Bonds;

Maturity Date

The Interest Payment Date on which each Series of Covered Bonds will be redeemed at their nominal amount then outstanding in accordance with the Conditions;

Minimum Cash Amount

The minimum amount to be paid in cash by the borrower;

Misrepresentation Act

Misrepresentation Act 1967 of Singapore;

Moneylenders Act

Moneylenders Act 2008 of Singapore, as amended, and any regulations made pursuant to it;

Monthly Payment Date

In relation to a Loan, the date in each month on which the relevant Borrower or the relevant Mortgagor (as the case may be) is required to make a payment of interest and, if applicable, principal for that Loan, as required by the applicable Mortgage Conditions;

Moody's

Moody's Investors Service Singapore Pte. Ltd., and its affiliates and successors, as the case may be;

Mortgage

In relation to any Loan, each first charge by way of legal mortgage (save for (a) any charge registered or notified by the CPF Board in respect of the withdrawal of CPF Funds from the relevant Mortgagor's account(s) maintained with the CPF Board, (b) any statutory charge in favour of the tax authority in respect of unpaid property taxes, (c) any charge registered in favour of the relevant management corporation in connection with the Property in respect of unpaid amounts

	or contributions, (d) any statutory charge in favour of the tax authority in respect of unpaid estate duty leviable under the Estate Duty Act (where applicable) and (e) any other changes arising under any written law) which secures the repayment of the relevant Loan and includes the Mortgage Conditions applicable to it;
Mortgage Conditions	All the terms and conditions applicable to a Loan, including, without limitation, those set out in the Seller's relevant standard terms and conditions and the Seller's relevant general conditions each as varied from time to time by the relevant Loan Agreement and the relevant Mortgage Instrument;
Mortgage Instrument	In respect of any Mortgage, the instrument of mortgage in the form approved by the Registrar of Titles and registered with the Land Titles Registry under the provisions of the Land Titles Act, creating that Mortgage;
Mortgage Sale Agreement	The mortgage sale agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the Seller, the CBG, the Assets Trustee, the CBG Beneficiary, the All Monies Trustee and the Security Trustee;
Mortgagee	In respect of any Mortgage, the person named and described as the mortgagee/bank in the relevant Mortgage Instrument for the time being entitled to exercise the rights of the mortgagee/bank under that Mortgage;
Mortgagor	In relation to a Loan, the individual or individuals named and described as the mortgagor in the relevant Mortgage Instrument together with the individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it;
New Loan Types	New types of mortgage loans originated or acquired by the Seller which are secured by first-ranking mortgages over residential properties situated in Singapore, and which the Seller intends to transfer to the CBG, the terms and conditions of which are materially different (in the opinion of the Seller, acting reasonably) from the Loans comprised in the Initial Portfolio. For the avoidance of doubt, a mortgage loan will not constitute a New Loan Type if it differs from the Loans comprised in the Initial Portfolio due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate, capped rate, tracker rate or any other interest rate or the benefit of any discounts, cash-backs and/or rate guarantees;
New Loans	Loans, other than the Loans comprised in the Initial Portfolio, which the Seller may sell to the CBG pursuant to the Mortgage Sale Agreement or contribute as new Trust Assets pursuant to the Declaration of Assets Trust (as the case may be), after the First Closing Date;

New Portfolio

The portfolio of New Loans and their Related Security (other than any New Loans and their Related Security which have been redeemed in full prior to the Cut-off Date or which do not otherwise comply with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust as at the Closing Date), particulars of which are set out in the relevant New Portfolio Notice or in a document stored upon electronic media, and all rights, estate, title, interests, benefits and remedies of the Seller on and from the Cut-off Date in and to the rights and assets set out in paragraphs (a) to (e) in the definition of Initial Portfolio;

New Portfolio Notice

A notice in the form set out in the Mortgage Sale Agreement subject to any amendment as may be agreed among the parties thereto served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;

Non-CPF Loan

- (a) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in each case in respect of which prior to the Cut-off Date in respect of such loans, there is no CPF Withdrawal Approval and the relevant Mortgagor has not indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; or
- (b) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans, or where the relevant Mortgagor has indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; and
 - (ii) the CPF Board's consent to the transfer or assignment of the Mortgage over such Property securing such loans is not required (as at the Cut-off Date in respect of such loans) in order for the CBG and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property; or
- (c) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:

- (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans, or where the relevant Mortgagor has indicated to the Seller that he intends to utilise CPF Funds in connection with the Property; and
- (ii) the CPF Board's consent to the transfer or assignment of the Mortgage over such Property securing such loans is required (and such CPF Board's consent is obtained prior to the Cut-off Date in respect of such loans) in order for the CBG and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property,

which, in each case, is sold and assigned by the Seller to the CBG from time to time under the terms of the Mortgage Sale Agreement and is purchased by the CBG, and comprises the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to that loan under the relevant Mortgage Conditions by a Borrower or a Mortgagor (as the case may be) on the security of the Mortgage over such Property from time to time outstanding, or, as the context may require, the Borrower's or the Mortgagor's obligations in respect of the same but excluding any loan which is repurchased by the Seller or otherwise sold by the CBG and no longer beneficially owned by it. For the avoidance of doubt, no loan referred to under limbs (a), (b) and (c) above shall be construed or deemed to be a Top-up Loan. Converted Loans shall be deemed to continue to be Non-CPF Loans, subject to certain provisions of the Transaction Documents dealing with such Converted Loans only;

Notice of Trust Assets

A notice in substantially the form set out in the Declaration of Assets Trust;

Notice to Pay

The meaning given in Condition 9(a) (*Issuer Events of Default*);

NPL

Non-performing loan;

NPL ratio

Ratio of NPLs to total non-bank loans;

NSFR

Net stable funding ratio;

Offering Circular

This offering circular;

Original Due for Payment Date

The meaning given in paragraph (a)(i) of the definition of Due for Payment;

outstanding

In relation to the Covered Bonds, all the Covered Bonds issued except (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of

which the date for redemption has occurred and the redemption monies (including all interest accrued on such Covered Bonds to the date for such redemption and any interest payable after such date) have been duly paid to the Bond Trustee or to the Issuing and Paying Agent as provided in the Trust Deed and remain available for payment against presentation and surrender of Covered Bonds, Certificates, Receipts and/or Coupons, as the case may be, (c) those that have become void or in respect of which claims have become prescribed, (d) those that have been purchased and cancelled as provided in the Conditions, (e) those mutilated or defaced Bearer Covered Bonds that have been surrendered in exchange for replacement Bearer Covered Bonds, (f) (for the purpose only of determining how many Covered Bonds are outstanding and without prejudice to their status for any other purpose) those Bearer Covered Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Covered Bonds have been issued and (g) any Temporary Global Covered Bond to the extent that it shall have been exchanged for a Permanent Global Covered Bond and any Global Covered Bond to the extent that it shall have been exchanged for one or more Definitive Covered Bonds, in either case pursuant to its provisions, *provided that* for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Covered Bondholders, (2) the determination of how many Covered Bonds are outstanding for the purposes of Conditions 9 (*Events of Default*) and 10 (*Meetings of Covered Bondholders, Modification, Waiver and Substitution*) and the Trust Deed, and (3) the exercise of any discretion, power or authority that the Bond Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Covered Bondholders, those Covered Bonds that are beneficially held by or on behalf of the Issuer, the Issuer's affiliates or the CBG and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

Paying Agents

The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent and such further or other Paying Agent or Agents as may be appointed from time to time under the Agency Agreement;

Payment Ledger

The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of the Available Revenue Receipts and Available Principal Receipts for application in accordance with the relevant Priority of Payments;

Perfection Events

The meaning given in the section "*Summary of the Principal Documents - Mortgage Sale Agreement - Transfer of title to*

	<i>the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser</i> ";
Portfolio	The Initial Portfolio and each New Portfolio acquired by the CBG;
Post-Enforcement Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payments — Post-Enforcement Priority of Payments</i> ";
Potential CBG Event of Default	An event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(b) (<i>Covered Bond Guarantor Events of Default</i>) become a CBG Event of Default;
Potential Issuer Event of Default	An event or circumstance which could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(a) (<i>Issuer Events of Default</i>) become an Issuer Event of Default;
Pre-Acceleration Principal Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payments — Allocation and Distribution of Available Principal Receipts prior to service on the CBG of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice</i> ";
Pre-Acceleration Revenue Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payments — Allocation and Distribution of Available Revenue Receipts prior to service on the CBG of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice</i> ";
Pre-Maturity Liquidity Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of monies available to repay any series of Hard Bullet Covered Bonds on the Maturity Date thereof if the Pre-Maturity Test has been breached;
Pre-Maturity Test	The meaning given in the section " <i>Credit Structure including Asset Tests — Pre-Maturity Liquidity</i> ";
Pre-Maturity Test Date	Each Singapore Business Day prior to the occurrence of an Issuer Event of Default or the occurrence of a CBG Event of Default;
Principal Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of Principal Receipts in accordance with the terms of the Establishment Deed;
Principal Receipts	(a) Principal repayments under the Loans (including payments of arrears, Capitalised Interest and Capitalised Expenses);

- (b) recoveries of principal from defaulting Borrowers and/or Mortgagors (as the case may be) under Loans being enforced (including the proceeds of sale of the relevant Property);
- (c) any payout pursuant to any insurance policy in respect of a Property in connection with a Loan in the Portfolio and not released to the Borrower or, as the case may be, the Mortgagor in accordance with the Seller's Policies; and
- (d) the proceeds, if any, of the repurchase of any Loan by the Seller from the CBG pursuant to the Mortgage Sale Agreement and the Declaration of Assets Trust (excluding, for the avoidance of doubt, amounts attributable to Accrued Interest and Arrears of Interest thereon as at the relevant repurchase date),

and, for the avoidance of doubt, excludes all payments in respect of All Monies Trust Property which the Seller is entitled to, principal amounts referred to in the Intercompany Loan Agreement and principal repayments in respect of Top-up Loans. Principal repayments in respect of Demand Loan Repayment Assets and Top-up Loans shall not constitute Available Principal Receipts;

Priorities of Payments

The Post-Enforcement Priority of Payments, the Guarantee Priority of Payments, the Pre-Acceleration Revenue Priority of Payments and the Pre-Acceleration Principal Priority of Payments (each a "**Priority of Payment**");

Programme Agreement

The agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) among the Issuer, the Seller, the CBG, the Arrangers and the Dealers named therein (or deemed named therein) concerning the purchase of Covered Bonds to be issued pursuant to the Programme together with any accession letters and/or agreements supplemental thereto;

Programme Date

19 March 2024;

Property

A freehold or leasehold residential property located in Singapore which is subject to a Mortgage;

Property Tax Act

Property Tax Act 1960 of Singapore;

Purchaser

Any third party or the Seller to whom the CBG offers to sell Selected Loans and (in the case of a third party) which is an "excluded money lender" or "exempt moneylender" within the meaning given under the Moneylenders Act;

Random Basis

Any process which selects Loans and their Related Security on a basis that is not designed to favour the selection of any identifiable class or type or quality of Loans and their Related Security over all the Loans and their Related Security in the Portfolio;

Rating Agencies	Moody's and S&P, to the extent any of them provide(s) ratings in respect of the Covered Bonds, (and each a " Rating Agency ");
Rating Agency Confirmation	<ul style="list-style-type: none"> (i) a written confirmation from each Rating Agency that the relevant amendment, action, determination or appointment will not result in the reduction, qualification, suspension or withdrawal of the then current ratings assigned to any outstanding Covered Bonds rated by that Rating Agency; or (ii) a certification in writing by an authorised signatory of the Issuer or, following the occurrence of an Issuer Event of Default, the CBG to the Security Trustee and the Bond Trustee stating that the relevant amendment, action, determination or appointment has been notified to the Rating Agencies and, in its opinion, would not cause the then current ratings assigned to any outstanding Covered Bonds to be reduced, qualified, suspended or withdrawn by any Rating Agency and, where a Rating Agency was prepared to consult with the Issuer or the CBG, as applicable, on its behalf, such opinion is based on such consultation with the relevant Rating Agency; provided however that it is understood that the Rating Agencies shall be under no obligation to provide a Rating Agency Confirmation;
Reasonable, Prudent Mortgage Lender	The Seller and/or the Servicer, as applicable, acting in accordance with the standards of a reasonably prudent residential mortgage lender lending to borrowers in Singapore who generally satisfy the lending criteria of traditional sources of residential mortgage capital;
Reference Index	Any index of house prices in Singapore that a Reasonable, Prudent Mortgage Lender would use for valuation purposes;
Registrar	Deutsche Bank AG, Hong Kong Branch in its capacity as registrar (and any additional or successor registrar);
Registrar of Titles	The Registrar of Titles appointed under Section 5 of the Land Titles Act;
Related Security	<p>In relation to a Loan, the security for the repayment of that Loan including (i) the relevant Mortgage and (ii) all other matters applicable thereto acquired as part of the Portfolio sold to the CBG pursuant to the Mortgage Sale Agreement, and the Declaration of Assets Trust, including (without limitation):</p> <ul style="list-style-type: none"> (a) the benefit of all consents, guarantees, indemnities and postponements from persons having an interest in or rights in connection with the relevant Property or third parties;

- (b) each right of action of the Seller against any person (including, without limitation, any valuer, solicitor and any registrar or registry) in connection with any report, valuation, opinion, certificate or other statement of fact or opinion (including, without limitation, each Valuation Report) given or received in connection with all or part of that Loan and its Related Security or affecting the decision of the Seller to make or offer to make all or part of that Loan;
- (c) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, returns of premium and proceeds of claims under) insurance and assurance policies deposited, charged, obtained, or held in connection with that Loan, Mortgage and/or Property and Loan File; and
- (d) the Seller's present and future rights, estate, title, interests, benefits and remedies in and to:
 - (1) the Loan Agreement in relation to that Loan which for the avoidance of doubt, does not include the Seller's present and future rights, estate, title, interests, benefits and remedies in respect of the Associated Debt or any other loans or facilities made or to be made to the relevant Borrower or Mortgagor;
 - (2) (in the case of a Loan in respect of which prior to the Cut-off Date in respect of such Loan, the relevant Mortgagor has withdrawn his CPF Funds in connection with the Property and the CPF Board has accorded the Seller priority of payment towards such loans over the CPF Board in relation to the application of any proceeds from the realisation of such Property) the relevant deeds of arrangements, deeds/instruments of postponement, confirmations of priority arrangement, confirmation letters and/or such other written agreements, confirmations and letters in respect of the priority accorded to the Seller in the application of the sale proceeds realised upon the sale of the relevant Properties pursuant to the Central Provident Fund (Residential Properties Scheme) Regulations of Singapore, if any; and
 - (3) all monies which may at any time from the date of the relevant Deed of Assignment, the Declaration of Assets Trust or the relevant Notice of Trust Assets (as the case may be) be received by or payable to the Seller under

or in connection with the relevant Mortgage in respect of that Loan and the relevant Top-up Loans, whether on account of any claims, awards and judgments made or given under or in connection with the relevant Mortgage in respect of that Loan and the relevant Top-up Loans or otherwise howsoever;

Relevant Purchaser	In relation to a Loan and its Related Security (and any related Top-up Loans), any person (i) who is an “excluded moneylender” or “exempt moneylender” within the meaning given under the Moneylenders Act and (ii) who, in accordance with the terms of the Transaction Documents, purchases such Loan and its Related Security (and any related Top-up Loans) from the CBG and any subsequent purchaser thereof, where such person has acceded to the Mortgage Sale Agreement and the Declaration of Assets Trust in accordance with the terms thereunder;
relevant Series of Covered Bonds	The meaning given in the section “ <i>Structure Overview — Structure Overview</i> ”;
Remittance Date	In relation to a Calculation Period, the date which is two Singapore Business Days prior to the CBG Payment Date following the end of that Calculation Period;
Replacement Assets Trustee	Such entity or financial institution: <ul style="list-style-type: none"> (i) as may be selected by the CBG Beneficiary and the Security Trustee to act as the assets trustee under the Assets Trust; and (ii) which is an “excluded moneylender” or “exempt moneylender” within the meaning given under the Moneylenders Act;
Replacement Assets Trustee Events	The meaning given in the section “ <i>Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee</i> ”;
Report on Title	A solicitor’s report of title obtained by or on behalf of the Seller in respect of each Property substantially in the form of the pro-forma set out in the Standard Documentation;
Representations and Warranties	The representations and warranties as set out in the section “ <i>Summary of the Principal Documents — Mortgage Sale Agreement — Representations and Warranties</i> ”;
Required Redemption Amount	The meaning given in the section “ <i>Summary of the Principal Documents — Mortgage Sale Agreement — Right of Pre-emption</i> ”;
Required True Balance Amount	The meaning given in the section “ <i>Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans</i> ”;

Requisite CPF Loan Legal Title Transfer Approval	The meaning given in the section “ <i>Summary of the Principal Documents — Declarations of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee</i> ”;
Reserve Fund	The reserve fund that the CBG will be required to establish in the Transaction Account up to an aggregate amount equal to the Reserve Fund Required Amount;
Reserve Fund Required Amount	The meaning given in the section “ <i>Credit Structure including Asset Tests — Reserve Fund</i> ”;
Reserve Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement, to record the crediting of Advances or Subordinated Advances (to the extent such amount represents the amount drawn under the Intercompany Loan Agreement or the Subordinated Loan Agreement to fund the Reserve Fund) and Revenue Receipts to the Reserve Fund and the debiting of such Reserve Fund in accordance with the terms of the Establishment Deed;
Reset Date	The meaning given in the ISDA Definitions;
Residential Property	The meaning given in the section “ <i>Regulation/Legal Aspects of the Singapore Residential Mortgage Market — Regulation Aspects of the Singapore Residential Mortgage Market</i> ”;
Revenue Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record credits and debits of Revenue Receipts in accordance with the terms of the Establishment Deed;
Revenue Receipts	<p>(a) payments of interest (including Accrued Interest and Arrears of Interest) and other fees due from time to time under the Loans and other amounts received by the CBG in respect of the Loans other than the Principal Receipts;</p> <p>(b) recoveries of interest from defaulting Borrowers and/or Mortgagors (as the case may be) under Loans being enforced; and</p> <p>(c) recoveries of interest from defaulting Borrowers and/or Mortgagors (as the case may be) under Loans in respect of which enforcement procedures have been completed,</p> <p>and for the avoidance of doubt, excludes all payments in respect of Third Party Amounts and Top-up Loans;</p>
S&P	S&P Global Ratings Australia Pty Ltd, and its affiliates and successors, as the case may be;

Sale Adviser	The meaning given in the section “ <i>Summary of the Principal Documents — Establishment Deed — Method of Sale of Selected Loans</i> ”;
Sale Proceeds	The cash proceeds realised from the sale of Selected Loans;
Scheduled Interest	An amount equal to the amount in respect of interest which would have been due and payable under the Covered Bonds on each Interest Payment Date as specified in Condition 4 (<i>Interest and other Calculations</i>) (but excluding any additional amounts relating to premiums, default interest or interest upon interest (Excluded Scheduled Interest Amounts) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a CBG Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Maturity Date and, if the Pricing Supplement specified that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or any Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date), less any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 7 (<i>Taxation</i>);
Scheduled Payment Date	In relation to payments under the Covered Bond Guarantee, each Interest Payment Date or the Maturity Date as if the Covered Bonds had not become due and repayable prior to their Maturity Date;

Scheduled Principal

An amount equal to the amount in respect of principal which would have been due and repayable under the Covered Bonds on each Interest Payment Date or the Maturity Date (as the case may be) as specified in Condition 5(a) (*Redemption by Instalments and Final Redemption*), Condition 5(c) (*Redemption for Taxation Reasons*), Condition 5(d) (*Redemption at the Option of the Issuer*) and Condition 5(e) (*Redemption due to Illegality*) (but excluding any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest (**Excluded Scheduled Principal Amounts**) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a CBG Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Maturity Date and, if the Pricing Supplement specifies that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date;

Section 55B/C Court Order

The meaning given in the section “*Summary of the Principal Documents — Declaration of Assets Trust — Section 55B of the Banking Act*”;

Section 55B/C Transfer

The meaning given in the section “*Summary of the Principal Documents — Declaration of Assets Trust — Section 55B of the Banking Act*”;

Sections 210/212 Court Order

The meaning given in the section “*Summary of the Principal Documents — Declaration of Assets Trust — Sections 210 and 212 of the Companies Act*”;

Sections 210/212 Scheme

The meaning given in the section “*Summary of the Principal Documents — Declaration of Assets Trust — Sections 210 and 212 of the Companies Act*”;

Secured Creditors

The Security Trustee (in its own capacity and on behalf of the other Secured Creditors), the Bond Trustee (in its own capacity and on behalf of the Covered Bondholders), the Covered Bondholders, the Receiptholders, the Couponholders, the Issuer, the Seller, the Intercompany Loan Provider, the Ancillary Intercompany Loan Provider, the Subordinated Loan Provider, the Servicer, the Account Bank, the Cash Manager, the Interest Rate Swap Provider, the Covered Bond Swap Provider, the Corporate Services Provider, the Paying Agents and any other person which becomes a Secured Creditor pursuant to the Deeds of Charge;

Secured Obligations	Any and all monies, obligations and liabilities and all other amounts due, owing, payable or owed by the CBG which the CBG covenants and undertakes to pay and discharge pursuant to the Deeds of Charge and all claims, demands or damages for breach of any such covenant, and references to Secured Obligations includes references to any of the same;
Security	The meaning given in the section “ <i>Summary of the Principal Documents — Deeds of Charge</i> ”;
Security Interest	Any mortgage, sub mortgage, charge, sub charge, pledge, lien (other than a lien arising in the ordinary course of business or by operation of law) or other encumbrance or security interest howsoever created or arising in any jurisdiction;
Security Trustee	DB International Trust (Singapore) Limited, in its capacity as security trustee under the Trust Deed and the Deeds of Charge together with any successor security trustee or additional security trustees appointed from time to time;
Selected Loans	Loans and their Related Security (and, where applicable, any related Top-up Loans) to be sold by the CBG pursuant to the terms of the Establishment Deed having in aggregate the Required True Balance Amount;
Selected Loans Offer Notice	A notice substantially in the form set out in the Mortgage Sale Agreement, and served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Selected Loans Repurchase Notice	A notice substantially in the form set out in the Mortgage Sale Agreement, and served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Seller	Maybank Singapore Limited;
Seller Share	The part of the All Monies Trust Property comprised in each All Monies Trust to which the Seller is entitled as determined and calculated in accordance with the CBG Declaration Trusts;
Seller’s Policy	The originating, underwriting, administration, arrears and enforcement policy applied by the Seller from time to time to loans and the security for their repayment which are beneficially owned solely by the Seller or, at any time when the Servicer is not also the Seller, the policies and procedures from time to time which would be adopted by a Reasonable, Prudent Mortgage Lender;
Seller Power of Attorney	The power of attorney made by the Seller in favour of the CBG and the Security Trustee in accordance with the Mortgage Sale Agreement;

Series	A series of Covered Bonds comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number;
Servicer	Maybank Singapore Limited in its capacity as servicer under the Servicing Agreement or any successor servicer appointed from time to time;
Servicer Event of Default	The meaning given in the section “ <i>Summary of the Principal Documents — Servicing Agreement — Removal or resignation of the Servicer</i> ”;
Servicer's Remittance Rating	In respect of the Servicer, a short-term unsecured and unsubordinated debt obligation rating that is at least P-1 from Moody's and a long-term unsecured and unsubordinated debt obligation rating that is at least BBB by S&P;
Servicer Termination Event	The meaning given in the section “ <i>Summary of the Principal Documents — Servicing Agreement — Removal or resignation of the Servicer</i> ”;
Servicing Agreement	The servicing agreement dated the Programme Date (as amended, restated, supplemented and novated from time to time) and made among the CBG, the CBG Beneficiary, the Seller, the Servicer, the Assets Trustee and the Security Trustee;
Set-off Amount	<p>The aggregate as at the relevant Calculation Date of all deposits (placed with the Seller) of each Borrower or each Mortgagor (as the case may be) having a Loan or Loans (whether the Borrower or the Mortgagor (as the case may be) has assumed the obligation to repay any such Loan or any part of it jointly, severally or otherwise) in the Portfolio as at the relevant Calculation Date, <i>provided that</i>:</p> <ul style="list-style-type: none"> (a) where a Borrower or a Mortgagor (as the case may be) has more than one Loan in the Portfolio, any such deposits shall only be counted and aggregated once; (b) there shall be excluded and not aggregated any deposits, that are not accepted in Singapore dollars and not on terms under which the deposits may be repaid by the Seller in Singapore dollars, of the Borrower or the Mortgagor (as the case may be) placed with the Seller, and all references to deposits in relation to this definition shall not include any such deposits; (c) there shall be excluded and not aggregated any deposits of the Borrower or the Mortgagor (as the case may be) placed with the Seller, where: <ul style="list-style-type: none"> (i) a court of competent jurisdiction in Singapore issues a final and non-appealable judgment, order or direction; or

- (ii) the MAS or any other body having for the time being the power to regulate banks and financial institutions in Singapore directs or notifies the Seller in writing or issues a specific or applicable directive or notice in writing; or
- (iii) the Security Trustee agrees; or
- (iv) the statutory manager, statutory adviser, the liquidator, judicial manager, trustee, administrator or similar officer (including in each case, such provisional and interim officers) of the Seller opines or determines, with any such judgement being final and non-appealable; or
- (v) a law or regulation is passed or made in Singapore to the effect,

that all and any applicable legislation, law and/or regulation conferring priority in insolvency to set-off rights of depositors' liabilities against bank deposits in respect of banks in Singapore:

- (A) has no application at all or is abrogated or replaced; or
- (B) has no application in any particular circumstances and such circumstance or circumstances exist as at the relevant Calculation Date;

(d) there shall be excluded and not aggregated:

- (i) in the case where any Loan has or Loans have the same Borrower or Borrowers, or the same Mortgagor or Mortgagors (as the case may be), such amount of total deposit(s) of the Borrower or Borrowers, or the same Mortgagor or Mortgagors (as the case may be) in relation to such Loan(s) in excess of such Loan(s) as at the Calculation Date; or
- (ii) in the case of Loans with multiple Borrowers or multiple Mortgagors (as the case may be) where at least one of the Borrowers or one of the Mortgagors is common across the Loans, such amount of the total deposits of all the Borrowers and/or the Mortgagors (as the case may be) in excess of the maximum amount of such Loans that could be appropriated against deposits held by such Borrower(s) or such Mortgagor(s) (as the case may be) as at the Calculation Date;

SFA

SGD/Singapore dollars

Securities and Futures Act 2001 of Singapore;

The lawful currency of Singapore;

SGD Equivalent	In relation to a Covered Bond which is denominated in (i) a currency other than Singapore dollars, the Singapore dollar equivalent of such amount ascertained using the relevant Covered Bond Swap Rate relating to such Covered Bond and (ii) Singapore dollars, the applicable amount in Singapore dollars;
Shares Declaration of Trust	The declaration of trust executed as a deed by the Shares Trustee pursuant to which the issued share capital of the CBG are held on trust by the Shares Trustee for the benefit of one or more organisations established for charitable, benevolent or philanthropic purposes;
Shares Trustee	Intertrust (Singapore) Ltd. (UEN/Company Registration No. 200301038K);
Singapore Business Day	A day (other than Saturday and Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore;
Singapore Deed of Charge	The Singapore deed of charge dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the CBG, the CBG Beneficiary, the Issuer, the Seller, the Assets Trustee, the Cash Manager, the Servicer, the Account Bank, the Intercompany Loan Provider, the Ancillary Intercompany Loan Provider, the Subordinated Loan Provider, the Covered Bond Swap Provider, the Interest Rate Swap Provider, the Agents, the Corporate Services Provider, the Bond Trustee, the Security Trustee and certain other Secured Creditors (and governed by Singapore law);
Singapore Land Authority	The Singapore Land Authority established under the Singapore Land Authority Act 2001 of Singapore;
Single Mortgage Bundle	The Loans (including Defaulted Loans and Selected Loans) and their Related Security (and any related Top-up Loans) sold by the CBG or the Assets Trustee (on behalf of the CBG Beneficiary) as part of the same offer;
Staff Mortgage Loan	A loan recorded by the Seller as being a loan to its employee;
Standard Documentation	The standard documentation, annexed to the relevant exhibit of the Mortgage Sale Agreement or any update or replacement therefor as the Seller may from time to time introduce acting in accordance with the standards of a Reasonable, Prudent Mortgage Lender;
State Lands Act	State Lands Act 1920 of Singapore;
Subordinated Advance	An amount advanced, or to be advanced, by the Subordinated Loan Provider to the CBG under the Subordinated Loan Agreement, including Deemed Subordinated Advances;

Subordinated Loan	The aggregate outstanding principal amount of the Subordinated Advances pursuant to the Subordinated Loan Agreement;
Subordinated Loan Agreement	The subordinated loan agreement dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made between the Subordinated Loan Provider, the CBG, the CBG Beneficiary, the Assets Trustee, the Cash Manager and the Security Trustee;
Subordinated Loan Facility	The facility made available by the Subordinated Loan Provider to the CBG under the Subordinated Loan Agreement;
Subordinated Loan Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record all payments of interest and repayments of principal on each of the Subordinated Advances and the Deemed Subordinated Advances;
Subordinated Loan Provider	Maybank Singapore Limited;
Subscription Agreement	An agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in the Programme Agreement or in such other form as may be agreed among the Issuer, the CBG and the Lead Manager or one or more Dealers (as the case may be);
Subsidiary	Any company which is for the time being a subsidiary (within the meaning of Section 5 of the Companies Act);
Substitution Assets	<ul style="list-style-type: none"> (a) cash in any currency; (b) any securities issued by the MAS under the MAS Act; (c) any security, Treasury Bill or equivalent instrument issued under the Government Securities (Debt Market and Investment) Act 1992 of Singapore; or (d) any other asset or class of assets which may be specified by the MAS as satisfying the requirements for eligible assets pursuant to MAS Notice 648;
Swap Agreements	The Covered Bond Swap Agreement together with the Interest Rate Swap Agreement(s) (if any), each a Swap Agreement;
Swap Collateral	At any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Swap Provider to the CBG as collateral to secure the performance by such Swap Provider of its obligations under the relevant Swap Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed;

Swap Collateral Account	An account in the name of the CBG held with the Account Bank or such other bank from time to time, as applicable, into which Swap Collateral in respect of an Interest Rate Swap (if any) or a Covered Bond Swap may be deposited in accordance with the terms of any applicable Swap Agreement;
Swap Collateral Account Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of Swap Collateral in accordance with the terms of the Swap Agreements;
Swap Collateral Available Amounts	At any time, the amount of Swap Collateral which under the terms of the relevant Swap Agreement may be applied at that time in satisfaction of the relevant Swap Provider's obligations to the CBG to the extent that such obligations relate to payments to be made in connection with the Pre-Acceleration Revenue Priority of Payments or the Guarantee Priority of Payments;
Swap Collateral Excluded Amounts	At any time, the amount of Swap Collateral which may not be applied under the terms of the relevant Swap Agreement at that time in satisfaction of the relevant Swap Provider's obligations to the CBG, including Swap Collateral which is to be returned to the relevant Swap Provider from time to time in accordance with the terms of the Swap Agreements and ultimately upon termination of the relevant Swap Agreement;
Swap Provider Default	The occurrence of an Event of Default or Termination Event (each as defined in each of the Swap Agreements) where the relevant Swap Provider is the Defaulting Party or the sole Affected Party (each as defined in the relevant Swap Agreement), as applicable, other than a Swap Provider Downgrade Event;
Swap Provider Downgrade Event	The occurrence of an Additional Termination Event or an Event of Default (each as defined in the relevant Swap Agreement) following a failure by the relevant Swap Provider to comply with the requirements of the ratings downgrade provisions set out in the relevant Swap Agreement, <i>provided that</i> , in respect of an Interest Rate Swap Agreement, an Interest Rate Swap is outstanding under such Interest Rate Swap Agreement;
Swap Providers	The Covered Bond Swap Provider and each Interest Rate Swap Provider (if any), and each a Swap Provider;
Swaps	The Covered Bond Swaps together with the Interest Rate Swap (if any);
Tax Credit	A credit against any Tax or any relief or remission for Tax (or its repayment);

Taxes

All present and future taxes, levies, imposts, duties (including stamp and transaction duties), fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, except if imposed on, or calculated having regard to the net income of the relevant party, but including, without limitation, income tax, company tax, corporation tax, goods and services tax or value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency, together with any penalties, fines or interest, and **Tax** and **Taxation** shall be construed accordingly;

TDSR

Total Debt Servicing Ratio framework for property loans implemented by the MAS;

Test Date

The 15th day of each month or if not a Singapore Business Day the next following Singapore Business Day;

Third Party Amounts

Each of:

- (a) amounts under an unpaid direct debit which are repaid by the Seller to the bank making such payment if such bank is unable to recoup that amount itself from its customer's account;
- (b) payments by the Borrower and/or the Mortgagor (as the case may be) of any fees and other charges which are due to the Seller;
- (c) any amounts due or arising from any overpayment by any person or arising from any reimbursement by any person of any such overpayment (including, for the avoidance of doubt, where arising from the failure of a direct debit);
- (d) (subject to any right to refuse or withhold payment or of set-off that has arisen by reason of the Borrower's and/or the Mortgagor's (as the case may be) breach of the terms of the relevant Mortgage or Loan) any amount payable to a Borrower or a Mortgagor (as the case may be) under the terms of the Mortgage or the Loan to which that Borrower and/or that Mortgagor (as the case may be) is a party (other than a Top-up Loan);
- (e) any amounts owed to the Seller pursuant to the Mortgage Sale Agreement and the Declaration of Assets Trust; and

- (f) any amount received from a Borrower or a Mortgagor (as the case may be) for the express purpose of payment being made to a third party for the provision of a service (including giving insurance cover) to any of that Borrower or any of that Mortgagor (as the case may be) or the Seller or the CBG,

which amounts may be paid daily from monies on deposit in the CBG Accounts;

Title Deeds

In relation to each Loan and its Related Security and the Property relating thereto, all conveyancing deeds and documents or evidence of title which make up the title to the Property and the security for the Loan and all searches and enquiries undertaken in connection with the grant by the Borrower and/or Mortgagor of the related Mortgage;

Top-up Loan

A loan:

- (a) which is sold by the Seller to the CBG from time to time under the terms of the Mortgage Sale Agreement or the Declaration of Assets Trust (as the case may be);
- (b) which is secured by the same Mortgage over a Property as the Loan to which such Top-up Loan relates; and
- (c) the repayment of which is subordinated to such Loan and any CPF Funds withdrawn in connection with the Property in terms of priorities of repayment,

and comprises the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to that Top-up Loan from time to time outstanding, or, as the context may require, the Borrower's or the Mortgagor's (as the case may be) obligations in respect of the same but excluding any such Top-up Loan which is repurchased by the Seller or otherwise sold by the CBG and no longer beneficially owned by it;

Top-up Receipts

All amounts received from a Borrower or a Mortgagor (as the case may be) in respect of a Top-up Loan (including any receipts of interest and principal and proceeds of enforcement of the relevant Mortgage allocable to such Top-up Loan);

Transaction Account

The account designated as such in the name of the CBG held with the Account Bank and maintained subject to the terms of the Bank Account Agreement and the Singapore Deed of Charge or such other account as may for the time being be in place with the prior consent of the Security Trustee and designated as such;

Transaction Documents

- (a) Agency Agreement;
- (b) Ancillary Intercompany Loan Agreement;

- (c) Asset Monitor Agreement;
- (d) Bank Account Agreement;
- (e) Cash Management Agreement;
- (f) CBG Declaration of Trusts;
- (g) Corporate Services Agreement;
- (h) each Covered Bond Swap Agreement;
- (i) Declaration of Assets Trust;
- (j) English Security Trust Deed;
- (k) Establishment Deed;
- (l) Intercompany Loan Agreement;
- (m) each Interest Rate Swap Agreement (if any);
- (n) Master Definitions Agreement;
- (o) Mortgage Sale Agreement;
- (p) each Pricing Supplement (as applicable in the case of each issue of Covered Bonds);
- (q) Programme Agreement;
- (r) Servicing Agreement;
- (s) Shares Declaration of Trust;
- (t) Singapore Deed of Charge (and any documents entered into pursuant to the Singapore Deed of Charge);
- (u) Subordinated Loan Agreement;
- (v) each Subscription Agreement (as applicable in the case of each issue of Covered Bonds subscribed pursuant to a subscription agreement);
- (w) Trust Deed;
- (x) each document, agreement or indenture ancillary or supplemental to any of the documents specified in paragraphs (a) to (w) (inclusive) above; and
- (y) any other agreement or document from time to time designated as such by the Issuer, the CBG, the Bond Trustee and the Security Trustee;

Transaction Party

Any person who is a party to a Transaction Document and “Transaction Parties” means some or all of them;

Transfer Agent

(a) Deutsche Bank AG, Singapore Branch in respect of each Series of CDP Covered Bonds and (b) Deutsche Bank AG, Hong Kong Branch in respect of each Series of Covered Bonds (other than CDP Covered Bonds);

True Balance

For any Loan as at any given date, the aggregate principal balance of such Loan at such date (but avoiding double counting) including the following:

- (a) the Initial Advance and any further amount advanced on or before the given date to the relevant Borrower or the relevant Mortgagor (as the case may be) secured or intended to be secured by the related Mortgage;
- (b) the Capitalised Expenses; and
- (c) the Capitalised Interest,

as at the end of the calendar day immediately preceding that given date less any repayment, prepayment or payment of any of the foregoing made on or before the end of the calendar day immediately preceding that given date and excluding (x) any retentions made but not released, (y) any Accrued Interest and Arrears of Interest and (z) any Top-up Loans;

Trust Assets

The CPF Loans and their Related Security (and any related Top-up Loans) sold by the Seller to the CBG from time to time and which are subject to the Assets Trust, as identified in the Declaration of Assets Trust and the relevant Notice of Trust Assets, and all such rights, estate, title, interests, benefits and remedies in and to any monies currently owed or to be owed in the future by a Borrower and/or Mortgagor, all monies paid by any Borrower and/or Mortgagor from time to time for the purposes of discharging amounts owed, any receipts from the enforcement of any Related Security (and any related Top-up Loans) (including but not limited to the Seller's benefit in and to any rights to receive payments under any Insurance Policy) and the Seller's benefit in and to all Related Security and any rights relating to such CPF Loans (and any related Top-up Loans);

Trust Deed

The Trust Deed dated the Programme Date (as amended, restated, supplemented or novated from time to time) and made among the Issuer, the CBG, the Security Trustee and the Bond Trustee under which the Covered Bonds are constituted;

Trustees Act

Trustees Act 1967 of Singapore;

UCTA

Unfair Contracts Terms Act 1977 of Singapore;

Valuation

In relation to any Property at any date, the value given to that Property by reference to either (a) the latest Valuation Report (if obtained) in respect of that Property, or (b) if no such Valuation Report has been obtained, such valuation of that Property as determined by the Seller or the Servicer in accordance with the Seller's Policy from time to time, or, if the Seller's Policy is no longer applicable, using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Lender;

Valuation Report

The valuation report or reports for mortgage purposes, in the form of one of the pro-forma contained in the Standard Documentation, obtained by the Seller from a Valuer in respect of each Property or a valuation report in respect of

a valuation made using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Lender and which has been approved by the relevant officers of the Seller;

Valuer

An independent valuation company selected from the Seller's panel of approved valuers; and

Written Resolution

A resolution in writing signed by the holders of not less than 90% in nominal amount of the Covered Bonds outstanding and who for the time being are entitled to receive notice of the relevant meeting in accordance with the Trust Deed.

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The audited financial statements of Maybank Singapore Limited as of and for the years ended 31 December 2023 and 31 December 2022 set out herein have been reproduced from the Maybank Singapore Limited financial statements which have been previously published and filed with ACRA. The audited financial statements have not been specifically prepared for inclusion in this offering circular.

Company Registration No. 201804195C

Maybank Singapore Limited

Annual Financial Statements
31 December 2023



Maybank Singapore Limited

General information

Directors

Datuk Karownikaran @ Karunakaran
Dato' Khairussaleh bin Ramli
Anthony Brent Elam
Spencer Lee Tien Chye
Wong Heng Ning Kevin
Lee Yong Guan
Renato Tinio De Guzman

Company Secretary

Melissa Tham Lyn-Li

Registered Office

2 Battery Road
#01-01 Maybank Tower
Singapore 049907

Auditor

Ernst & Young LLP

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The directors are pleased to present their statement to the member of Maybank Singapore Limited (the "Bank") together with the audited financial statements of the Bank for the financial year ended 31 December 2023.

Opinion of the directors

In the opinion of the directors,

- (a) the accompanying statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Bank as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Bank for the financial year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

Directors

The directors of the Bank in office at the date of this statement are:

Datuk Karownikaran @ Karunakaran
Dato' Khairussaleh bin Ramli
Anthony Brent Elam
Spencer Lee Tien Chye
Wong Heng Ning Kevin
Lee Yong Guan
Renato Tinio De Guzman

Arrangements to enable directors to acquire shares or debentures

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

Malayan Banking Berhad ("Maybank") has implemented an employee's share scheme named as the Maybank Group Employees' Share Grant Plan ("ESGP") which is governed by the ESGP By-Laws approved by the shareholders of the ultimate parent company, Maybank at an Extraordinary General Meeting held on 6 April 2017. The ESGP was implemented on 14 December 2018 ("ESGP2018") and it is in force for a period of seven (7) years from the effective date. A total of five (5) awards have been made under the ESGP2018 from 2018 to 2022. Three (3) out of the five (5) awards made have been vested to eligible employees in 2021 to 2023 whilst the balance of the two (2) awards will vest in 2024 and 2025 respectively. The last tranche of the ESGP2018 Award (i.e. fifth ESGP Award) was made in September 2022 and will vest in 2025. Starting from 2023, there will be no additional new awards to be issued to staff under the ESGP2018.

Arrangements to enable directors to acquire shares or debentures (cont'd)

As a continuation of the existing ESGP, the establishment of a new ESGP plan ("ESGP2023") was approved by the shareholders of Maybank at an Extraordinary General Meeting held on 3 May 2023. This plan will run concurrently with the ESGP2018 until its expiration. The ESGP2023 was implemented on 20 September 2023 for eligible talents and senior management and it is in force for a period of ten (10) years from the effective date. The first award under the ESGP2023 was made in September 2023 and it will vest in 2026 subject to the fulfilment of the ESGP vesting conditions as well as meeting the performance criteria at the Maybank Group and individual levels.

Both ESGP2018 and ESGP2023 are administered by the Nomination and Remuneration Committee of the Board ("NRC") of Maybank.

The ESGP consists of two (2) types of performance-based awards: Employees' Share Grant Plan ("ESGP Shares") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP"). The ESGP Shares may be settled by way of issuance and transfer of new Maybank shares or by cash at the absolute discretion of the NRC of Maybank.

The number of ESGP Shares awarded is based on the assumption that the Maybank Group and the eligible employees have met average performance targets. The eligible employees are given thirty (30) days from the award date to accept the offer. The ESGP Shares under the ESGP may be granted over a five-year period and each grant will be vested based on a three-year cliff vesting schedule (i.e. vested at the end of three (3) years from the ESGP grant dates).

During the financial year, none of the directors of the Bank or their nominees held shares acquired pursuant to the ESGP except as disclosed in the next section of this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Bank for the purpose of section 164 of the Singapore Companies Act 1967 (the Act), none of the directors holding office at the end of the financial year had any interest in the shares in, or debentures of, the Bank or its related corporations, except as follows:

	Direct interest		Deemed interest	
	As at 1.1.2023 or date of appointment	As at 31.12.2023	As at 1.1.2023 or date of appointment	As at 31.12.2023
Malayan Banking Berhad				
(Ordinary shares)				
Spencer Lee Tien Chye	105,631	105,631	273,698 ¹	273,698 ¹

¹ 273,698 Ordinary shares held by his spouse

Share options

During the financial year, there were:

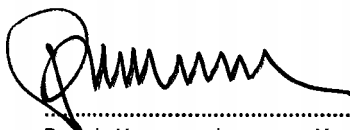
- (a) no share options granted by the Bank to any person to subscribe for unissued shares in the Bank; and
- (b) no shares issued by virtue of the exercise of options to take up unissued shares of the Bank.

As at the end of the financial year, there were no unissued shares of the Bank under option.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:



.....
Datuk Karownakaran @ Karunakaran
Chairman



.....
Dato' Khairussaleh bin Ramli
Director

Singapore

14 February 2024

Independent auditor's report to the Member of Maybank Singapore Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Singapore Limited (the "Bank"), which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Bank for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the financial position of the Bank as at 31 December 2023 and financial performance, changes in equity and cash flows of the Bank for the financial year ended on that date.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank 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.

Other information

Management is responsible for other information. The other information comprises the general information, directors' statement and supplementary information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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, 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.

Responsibilities of Management and Directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Bank'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 management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Bank's financial reporting process.

Auditor's 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 auditor's 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 control.
- Obtain an understanding of internal control 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Conclude on the appropriateness of management'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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Bank 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

14 February 2024

Maybank Singapore Limited

**Statement of comprehensive income
For the financial year ended 31 December 2023**

	Note	2023 S\$'000	2022 S\$'000
Interest income	4(a)	1,321,666	725,334
Interest expense	4(b)	(848,970)	(283,152)
Net interest income		472,696	442,182
Fee and commission income	5	233,929	209,948
Fee and commission expense	5	(48,785)	(35,145)
Net fee and commission income		185,144	174,803
Dealing profits and foreign exchange income	6	27,948	51,914
Other income	7	56,467	41,051
Total other items of income		84,415	92,965
Income before operating expenses		742,255	709,950
Staff and other remuneration	8	(303,340)	(281,872)
Other operating expenses	9	(187,216)	(180,518)
Operating profit before impairment		251,699	247,560
Allowances for impairment losses on financial assets	10	(71,483)	(73,617)
Profit before taxation		180,216	173,943
Taxation	11	(29,838)	(25,498)
Net profit after taxation		150,378	148,445
Profit for the year attributable to the owner		150,378	148,445
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Net change in fair value on debt securities at fair value through other comprehensive income ("FVOCI")		151,299	(115,370)
Net changes in allowance for expected credit losses ("ECL") of debt securities at FVOCI		(13)	53
Reclassification to profit or loss from sale/redemption of debt securities at FVOCI		(145)	2,268
Income tax relating to components of other comprehensive income	27	(20,405)	15,269
Other comprehensive income for the year, net of income tax		130,736	(97,780)
Total comprehensive income for the year		281,114	50,665
Total comprehensive income attributable to the owner		281,114	50,665

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Maybank Singapore Limited

**Statement of financial position
As at 31 December 2023**

	Note	2023 S\$'000	2022 S\$'000
Assets			
Cash and balances with central bank	12	1,148,184	1,341,444
Government securities and treasury bills	13	3,742,413	2,421,491
Other Debt securities	14	260,854	199,013
Balances and placements with and loans to banks	16	104,838	169,888
Bills receivable	17	1,481	12,976
Loans and advances to non-bank customers	17	24,767,346	24,354,978
Amounts due from related corporations	19	8,921,468	5,935,267
Other assets	20	158,943	131,749
Deferred tax assets	27	3,028	15,921
Intangible assets	21	73,659	74,894
Right-of-use assets	22	56,646	39,219
Property and equipment	23	24,222	22,273
Total assets		39,263,082	34,719,113
Liabilities			
Amounts due to central bank	24	57,098	409,365
Deposits of non-bank customers	25	35,244,521	30,451,469
Bills payable		130,649	99,241
Amounts due to related corporations	19	8,388	9,104
Current income tax payable		36,476	30,681
Other liabilities	26	261,625	265,122
Lease liabilities	22	57,717	39,550
Subordinated notes	28	504,916	504,916
Debt securities issued	29	639,385	808,472
Total liabilities		36,940,775	32,617,920
Equity attributable to the owner			
Share capital	30	2,000,000	2,000,000
Retained earnings		320,636	230,258
Fair value adjustment reserve		1,671	(129,065)
Total equity attributable to the owner		2,322,307	2,101,193
Total liabilities and equity attributable to the owner		39,263,082	34,719,113
Off-balance sheet items			
Contingent liabilities	32	266,406	237,027
Commitments	33	9,537,637	9,811,764
Financial derivatives (notional)	34	5,702,621	4,087,918
Total off-balance sheet items		15,506,664	14,136,709

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Maybank Singapore Limited

**Statement of changes in equity
For the financial year ended 31 December 2023**

	Share capital S\$'000	Retained earnings S\$'000	Fair value adjustment Reserve S\$'000	Total S\$'000
At 1 January 2023	2,000,000	230,258	(129,065)	2,101,193
Profit for the year	-	150,378	-	150,378
Other comprehensive income:				
Net change in fair value of debt securities at FVOCI ^(a)	-	-	151,299	151,299
Net changes in allowance for expected credit losses of debt securities at FVOCI	-	-	(13)	(13)
Reclassification to profit or loss	-	-	(145)	(145)
Income tax relating to components of other comprehensive income	-	-	(20,405)	(20,405)
Total comprehensive income for the year	-	150,378	130,736	281,114
Dividend paid	-	(60,000)	-	(60,000)
At end of financial year	2,000,000	320,636	1,671	2,322,307
At 1 January 2022	2,000,000	101,813	(31,285)	2,070,528
Profit for the year	-	148,445	-	148,445
Other comprehensive income:				
Net change in fair value of debt securities at FVOCI	-	-	(115,370)	(115,370)
Net changes in allowance for expected credit losses of debt securities at FVOCI	-	-	53	53
Reclassification to profit or loss	-	-	2,268	2,268
Income tax relating to components of other comprehensive income	-	-	15,269	15,269
Total comprehensive income for the year	-	148,445	(97,780)	50,665
Dividend paid	-	(20,000)	-	(20,000)
At end of financial year	2,000,000	230,258	(129,065)	2,101,193

^(a) Included in here is an impact on reclassification. Refer to Note 35(a) for more details.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Maybank Singapore Limited

Statement of cash flows

For the financial year ended 31 December 2023

	Note	2023 S\$'000	2022 S\$'000
Cash flows from operating activities			
Profit before taxation		180,216	173,943
Adjustments for:			
Depreciation and amortisation	9	42,599	48,101
Finance cost	9	1,535	796
Gain on termination of leases		(126)	(113)
Gain on disposal of property and equipment		(257)	-
Property and equipment and intangible assets written off		-	7
Provision for impairment loss for contingent liabilities, bills receivable and loans and advances to non-bank customers	10	69,080	79,986
Provision for impairment loss for securities	10	245	92
Provision for impairment loss for balances and placements with and loans to banks and amounts due from related corporations	10	7,908	710
Operating profit before changes in operating assets and liabilities		301,200	303,522
(Increase)/decrease in operating assets:			
Bills receivable		11,494	(780)
Loans and advances to non-bank customers		(480,833)	6,271
Other assets		(27,194)	(57,630)
Amounts due from a related corporation		(107)	(5,191)
Restricted balances with central bank		160,000	706,817
		(336,640)	649,487
Increase/(decrease) in operating liabilities:			
Amounts due to central bank		(352,267)	(827,959)
Deposits of non-bank customers		4,793,052	(610,795)
Bills payable		31,407	12,673
Other liabilities		(4,112)	84,098
Amounts due to related corporations		(716)	2,871
		4,467,364	(1,339,112)
Finance cost paid		(1,535)	(796)
Income taxes paid		(31,538)	(36,158)
Zakat paid		(17)	-
Net cash flows generated from/(used in) operating activities		4,398,834	(423,057)

Maybank Singapore Limited

Statement of cash flows

For the financial year ended 31 December 2023

	Note	2023 S\$'000	2022 S\$'000
Net cash flows from investing activities			
(Purchase of)/proceeds from government securities and treasury bills		(1,187,993)	1,659,671
Purchase of other debt securities		(43,873)	(46,252)
Purchase of property and equipment and intangible assets		(27,843)	(28,072)
Disposal of property and equipment		257	-
Net cash flows (used in)/generated from investing activities		(1,259,452)	1,585,347
Cash flows from financing activities			
Payment of principal portion of lease liabilities	22	(14,604)	(13,817)
Change in subordinated notes (non-cash)*	28	-	(102)
Issuance of debt securities		756,676	2,367,076
Repayment of debt securities		(1,051,933)	(1,921,296)
Change in debt securities (non-cash)*		126,170	(9,817)
Dividend paid	31	(60,000)	(20,000)
Net cash flows (used in)/generated from financing activities		(243,691)	402,044
Net increase in cash and cash equivalents for the year		2,895,691	1,564,334
Cash and cash equivalents at beginning of year		5,932,091	4,367,757
Cash and cash equivalents at end of year	38	8,827,782	5,932,091

* Refers to the accrued interest and foreign exchange movement.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Maybank Singapore Limited (the “Bank”), incorporated in Singapore on 1 February 2018, has its registered office at 2 Battery Road, #01-01 Maybank Tower, Singapore 049907.

The immediate holding company is Cepak Mentari Berhad (“CMB”), which in turn is a directly wholly-owned subsidiary of Malayan Banking Berhad (ultimate holding company).

The Monetary Authority of Singapore (“MAS”) had on 3 October 2018 issued a full banking licence with Qualifying Full Bank privileges to the Bank.

The Bank offers retail, private wealth and SME banking services.

2. Summary of material accounting policy information

2.1 Basis of preparation

The financial statements of the Bank have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) as required by the Singapore Companies Act, 1967 (the “Act”).

As the Bank is in the process of launching its debt issuance programme, the Bank has adopted SFRS(I) for the financial year ended 31 December 2023. The Bank previously issued financial statements for periods up to and including the financial year ended 31 December 2022 in accordance with Singapore Financial Reporting Standards (SFRS). SFRS(I) comprises standards and interpretations that are equivalent to SFRS. Financial statements that have been prepared in accordance and in compliance with SFRS are deemed to have also complied with SFRS(I). The Bank has applied accounting policies based on each SFRS(I) effective as at 31 December 2023. There was no impact to the financial statements upon adoption.

The financial statements of the Bank, expressed in Singapore dollars (“SGD” or “S\$”), are prepared in accordance with the historical cost convention, except as otherwise disclosed in the accounting policies below. All information presented has been rounded to the nearest thousand (“S\$’000”), unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires management 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 underlying assumptions 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. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 3.

2. Summary of material accounting policy information(cont'd)**2.2 *Changes in accounting policies***

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Bank has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2023.

2.3 *Standards issued but not yet effective*

The Bank has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements	1 January 2024

The Directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.4 *Income and expense recognition*

Revenue comprised primarily interest income, fees and commission income and other income of the Bank. Revenue is measured as the fair value of consideration received or receivable excluding discounts, rebates and sales taxes or duties. The Bank assesses its revenue arrangements to determine if it is acting as principal or agent.

Interest income and expense are recognised in profit or loss using the effective interest rate method. Interest on impaired financial assets is recognised at the original effective interest rate of the financial asset applied to the carrying amount as reduced by any allowance for impairment. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The Bank does not purchase or originate credit impaired ("POCI") financial assets.

Fee and commission income that are integral to financial asset are recognised as an adjustment to the effective interest/profit are included in the measurement of the effective interest rate.

2. Summary of material accounting policy information(cont'd)

2.4 *Income and expense recognition (cont'd)*

Fee income relating to loan facilities, trade finance facilities and guarantees, where they are charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature, is recognised on an effective interest rate basis or on a straight line basis where applicable over the relevant period.

Other fees and commission income that are earned from the provision of services are recognised as the related services are performed.

Other income comprise dealing profits and foreign exchange income which comprise gains or losses (net) on financial derivatives at fair value through profit or loss, foreign exchange differences and sales margin received from related corporation. Service fee income is recognised over the period in which the services are provided.

2.5 *Financial instruments - Date of recognition*

All regular way purchases and sales of financial assets are recognised or derecognised on the settlement date i.e. the date that an asset is delivered to or by an entity. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

2.6 *Financial instruments - Initial recognition and measurement*

All financial assets and financial liabilities are measured initially at their fair value plus or minus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The Bank classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics, measured at either:

- (a) Amortised cost;
- (b) Fair value through other comprehensive income ("FVOCI"); or
- (c) Fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost or at FVTPL. FVTPL measurement is used when financial liabilities are held for trading, are derivative instruments or where fair value designation is applied.

2. Summary of material accounting policy information (cont'd)

2.6 Financial instruments - Initial recognition and measurement (cont'd)

- (a) *Cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost*

The Bank measures cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the bank's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- The expected frequency, value and timing of sales are also important aspects of the Bank's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporate such information when assessing newly originated or newly purchased financial assets going forward.

2. Summary of material accounting policy information (cont'd)

2.6 *Financial instruments - Initial recognition and measurement (cont'd)*

- (a) *Cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost (cont'd)*

The SPPI test

As a second step of its classification process the Bank assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

- (b) *Debt securities at FVOCI*

Debt securities are measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt securities are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income ("OCI"). Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. The ECL calculation for debt securities at FVOCI is explained in Note 2.11(a). Where the Bank holds more than one investment in the same security, they are deemed to be disposed off on a first-in first-out basis. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

2. Summary of material accounting policy information (cont'd)

2.6 *Financial instruments - Initial recognition and measurement (cont'd)*

(c) *Contingent liabilities and loan commitments*

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially recognised at their fair values, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.11 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements.

The nominal contractual value of such commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position.

The nominal values of these instruments together with the corresponding ECL are disclosed in Notes 17, 32, and 33.

2.7 *Reclassification of financial assets and liabilities*

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances. During the year, there was a change in the business model resulting in reclassifications. Please refer to Note 35(a) for details.

2.8 *Derecognition of financial assets and liabilities*

(a) *Derecognition due to substantial modification of terms and conditions*

The Bank derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be purchased or originated credit impaired financial assets ("POCI").

2. Summary of material accounting policy information (cont'd)

2.8 Derecognition of financial assets and liabilities (cont'd)

(a) Derecognition due to substantial modification of terms and conditions (cont'd)

When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers the following factors:

- Change in currency of the loan.
- Introduction of an equity feature.
- Change in counterparty.
- If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original Effective Interest Rate ("EIR"), the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

(b) Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

2.9 Fair value

Fair value is the amount which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. Fair value of financial instruments is based on their quoted price in an active market (including recent market transactions) at the end of the reporting period without any deduction for transaction cost. If a quoted market price is not available, the fair value of the instrument is estimated using valuation techniques. Valuation techniques include the use of recent arm's length prices, pricing models or discounted cash flow techniques.

The best evidence of fair value of a financial instrument at initial recognition is the transaction price unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique which variables include only data from observable markets.

2. Summary of material accounting policy information (cont'd)

2.9 Fair value (cont'd)

For subsequent measurement of financial assets or financial liabilities at fair value through profit or loss, the Bank values such assets/liabilities using quoted market prices or dealer price quotations for financial instruments traded in active markets without any deduction for transaction cost.

2.10 Derivative financial instruments

Derivative financial instruments arise from transactions undertaken by the Bank in the foreign exchange, interest rate, and equities derivative markets.

Derivative financial instruments are recognised initially at fair value on the date that the derivatives are entered into. Subsequent to initial recognition, the derivative financial instruments are re-measured at fair value. The gain or loss on re-measurement at fair value is recognised immediately in profit or loss.

Certain derivatives embedded in other derivatives are treated as separate derivatives when their economic characteristics and risk are not closely related to those of the host contract and the host contract is not carried at fair value.

Assets, including gains, resulting from derivatives financial instruments which are marked-to-market are included in "Other Assets" arising from derivative financial instruments. Liabilities, including losses, resulting from such contracts are included in "Other Liabilities" arising from derivative financial instruments.

2.11 Impairment

(a) Financial assets

The Bank records the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and contingent liabilities, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under SFRS(I) 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or "LTECL"), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss ("12mECL").

The 12mECL is the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

2. Summary of material accounting policy information (cont'd)

2.11 *Impairment (cont'd)*

(a) *Financial assets (cont'd)*

Based on the above process, the Bank groups its financial instruments into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When financial instruments are first recognised, the Bank recognises an allowance based on 12mECL. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast exposure at default ("EAD") and multiplied by the expected Loss Given default ("LGD") and discounted by an approximation to the original EIR. Stage 1 also include facilities where the credit risk has improved and have been reclassified from Stage 2.

Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL, with probability of default ("PD") and LGDs are estimated over the lifetime of the financial instrument and discounted by an approximation to the original EIR. Stage 2 loans also include facilities, where the credit risk has improved and have been reclassified from Stage 3.

Stage 3: Financial instruments are considered credit-impaired, and the Bank recognises the lifetime expected credit losses for these loans, with the PD set at 100%.

There are three main components to measure ECL which are the PD model, the LGD model and the EAD model. The models are to leverage as much as possible on existing Basel models and perform the required adjustments to produce a SFRS(I) 9 compliant model.

Expected credit losses are the unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions. The forward-looking information is based on the group economist's assessment of the assumptions and analysis provided by the group's research arm, Maybank IBG Research. In addition, the group research arm's assumptions and analysis are also based on the collation of macroeconomic data obtained from various sources such as, but not limited to regulators, government and foreign ministries as well as independent research organisations. Where applicable, the Bank incorporates forward-looking adjustments in credit risk factors of PD and LGD used in ECL calculation; taking into account the impact of multiple probability-weighted future forecast economic scenarios.

Examples of forward-looking forecasts include but are not limited to the following:

- Gross Domestic Product ("GDP") growth
- Unemployment rates
- Resident unemployment rate
- Residential Property Price Index

2. Summary of material accounting policy information (cont'd)

2.11 *Impairment (cont'd)*

(a) *Financial assets (cont'd)*

The Bank applies the following alternative macro-economic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL:

- Base scenario: This scenario reflects that current macro-economic conditions continue to prevail; and
- Upside and Downside scenarios: These scenarios are set relative to the base scenario; reflecting best and worst-case macro-economic conditions based on subject matter expert's best judgment from current economic conditions.

Lifetime expected credit losses must be measured over the expected life. This is restricted to the maximum contractual life and takes into account expected prepayment, extension, call and similar options, except for certain revolver financial instruments such as credit cards and overdrafts. The expected life for these revolver facilities generally refers to their behavioural life.

For credit-impaired financial assets deemed individually significant, the Bank assesses ECL on individual borrower basis, and performs collective assessment for other financial assets as per Bank's policy.

The ECL for debt securities measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

(b) *Collateral valuation*

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. It is generally assessed, at a minimum, at inception and re-assessed on an annual basis. Details of the impact of the Bank's various collaterals are disclosed in Note 35(b)(iv).

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collaterals are valued based on data provided by internal valuers and independent third party valuers.

2. Summary of material accounting policy information (cont'd)

2.11 Impairment (cont'd)

(c) Collateral repossessed

The Bank's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Bank's policy.

In its normal course of business, the Bank does not physically repossess collaterals in its retail and corporate portfolio, but engages external agents for the sale of collaterals to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, collaterals under legal repossession processes are not recorded on the balance sheet.

(d) Write-offs

Financial assets are written off either partially or in their entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement of comprehensive income.

(e) Non-financial assets

The carrying amounts of the Bank's non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit 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.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. An impairment loss is recognised in profit or loss unless it reverses a previous revaluation.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indication 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.

2. Summary of material accounting policy information (cont'd)

2.12 *Deposits of non-bank customers*

These deposits comprise current, time, savings and other deposits from retail and wholesale activities. Recognition occurs upon the establishment of contractual obligations.

2.13 *Bills receivable and payable*

Bills receivable and bills payable are classified as financial assets at amortised cost and financial liabilities at amortised cost, respectively.

2.14 *Singapore and other government securities and treasury bills*

Singapore and other government securities and treasury bills are debt securities held for dealing and non-dealing purposes. They are classified as either AC or FVOCI, depending on the objective of holding the securities.

2.15 *Other debt securities*

Other debt securities are either held to collect the contractual cash flows, where it is classified as amortised cost, or held to collect and for sale, where it is held as FVOCI.

2.16 *Loans and advances to non-bank customers*

Loans and advances to non-bank customers are stated at amortised cost net of impairment losses.

2.17 *Property and equipment*

All items of property and equipment are initially recorded at cost. Subsequent to recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

On disposal of an item of property and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Depreciation is provided on a straight line basis so as to write-off items of property and equipment over their estimated useful lives as follows:

Renovation	-	5 years or lease terms
Office equipment, furniture and fittings-		5 years
Computer and electrical equipment	-	2 to 10 years
Motor vehicles	-	5 years

2. Summary of material accounting policy information (cont'd)

2.17 *Property and equipment (cont'd)*

Construction-in-progress, representing renovation-in-progress are stated at cost. This includes acquisition cost, materials, direct labour and other directly related expenses. Construction-in-progress is not depreciated until such time as the relevant asset is completed and ready for operational use.

Depreciation methods, useful lives and residual values if not insignificant, are reassessed annually.

2.18 *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Software development costs are capitalised as intangible asset when the Bank can demonstrate the technical feasibility of completing the intangible asset so that it will be available-for-use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development. Amortisation is charged to profit or loss using a straight-line method over their useful lives not exceeding 10 years. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense is recognised in the statement of comprehensive income.

2.19 *Leases*

(a) *Right-of-use assets*

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease term includes periods covered by an option to extend if the Bank is reasonably certain to exercise that option. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are subject to impairment assessment in line with the Bank's policy as described in Note 2.11(e).

2. Summary of material accounting policy information (cont'd)

2.19 Leases (cont'd)

(b) Lease liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Bank uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Bank applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.20 Taxes

Income tax expense comprises current income tax and deferred tax. Current income tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set-off current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current income tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2. Summary of material accounting policy information (cont'd)

2.20 Taxes (cont'd)

A deferred tax asset is recognised for unused tax losses, tax credit and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.21 Foreign currencies

The functional currency represents the currency in which transactions are predominantly denominated in the respective books and reflects the economic substance of the underlying events and circumstances relevant to the books.

The Bank adopts SGD as its functional currency. Monetary assets and liabilities denominated in currencies other than SGD are translated into SGD at rates of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions. Transactions in foreign currencies during the period are converted at rates of exchange ruling on transaction dates. Exchange differences are dealt with through profit or loss.

2.22 Repurchase and resale agreements

The Bank enters into purchases (sales) of investments under agreements to resell (repurchase) substantially identical investments at a certain date in the future at a fixed price with a related corporation.

Securities purchased under resale agreements are securities which the Bank purchase with a commitment to resell at future dates. The commitments to resell the securities, which represent the consideration paid, are reflected as assets on the statements of financial position and are classified at amortised cost. The difference between the purchase and resale prices is recognised in the income statements and is accrued over the life of the agreement using the effective interest method.

2.23 Provisions

A provision is recognised in the statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect is material, 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, where appropriate, the risks specific to the liability.

2. Summary of material accounting policy information (cont'd)

2.24 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, non-restricted balances with central banks, balances and placements with and loans to banks and nostro and money market deposits with related corporations, which are payable on demand or within 3 months. Bank balances with central bank includes amounts held for regulatory liquidity reserves. Restricted balances with central bank refers to balances placed in custody with the central bank and is not available for use in the Bank's day-to-day operations.

2.25 Employee benefits

(a) Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss as incurred.

(b) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.26 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity.

2.27 Related parties

A related party is defined as follows:

- (a)** A person or a close member of that person's family is related to the Bank if that person:
 - (i)** Has control or joint control over the Bank;
 - (ii)** Has significant influence over the Bank; or
 - (iii)** Is a member of the key management personnel of the Bank or of a parent of the Bank.

2. Summary of material accounting policy information (cont'd)

2.27 *Related parties (cont'd)*

(b) An entity is related to the Bank if any of the following conditions applies:

- (iv) The entity and the Bank are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (v) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (vi) Both entities are joint ventures of the same third party;
- (vii) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (viii) The entity is a post-employment benefit plan for the benefit of employees of either the Bank or an entity related to the Bank. If the Bank is itself such a plan, the sponsoring employers are also related to the Bank;
- (ix) The entity is controlled or jointly controlled by a person identified in (a);
- (x) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (xi) The entity, or any member of a group of which it is a part, provides key management personnel services to the Bank or to the parent of the Bank.

2.28 *Dividend*

Dividends declared on ordinary shares are recognised as a liability and deducted from equity in the period in which all relevant approvals have been obtained.

2.29 *Islamic banking activities*

Islamic Banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles. In the context of the information presented in this document that apply to Islamic banking activities, each reference to conventional terms shall be construed to mean its corresponding Islamic equivalent as indicated below:

No.	Conventional	Islamic
1	Lender	Financier / Bank
2	Lending	Financing
3	Borrower	Customer
4	Borrowing	Financing
5	Repayment	Payment
6	Loan	Financing
7	Borrow	Finance
8	Interest (other than references to Directors' interests)	Profits/ Dividend/ Hibah

3. Significant accounting estimates and judgements

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a significant adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments made in applying accounting policies

In the process of applying the Bank's accounting policies, the Bank's management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements. These are as follows:

(a) *Fair value of derivative financial instruments*

For financial instruments measured at fair value, where the fair values cannot be derived directly from active markets, the bank uses a variety of methods and makes assumptions based on market conditions existed at the end of each reporting period. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining derivative financial instruments not traded in an active market (refer to Note 36). The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

(b) *Taxes*

Significant judgement is required in estimating the provision for income tax. There are many transactions and interpretations of tax law for which the outcome will not be established until sometime later. Liabilities for taxation are recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice on the tax treatments where appropriate. Where the final liability for taxation is different from the amounts that were initially recorded, the differences will affect the income tax and deferred tax provisions in the period in which the estimate is revised or the final liability is established.

This assessment relies on estimates and assumptions and may involve judgments about future events. New information may become available that causes the Bank to change its judgment regarding the adequacy of existing tax liabilities, such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

3. Significant accounting estimates and judgements (cont'd)

Judgments made in applying accounting policies(cont'd)

(b) *Taxes (cont'd)*

The amendments to SFRS(I) 12 have been introduced in response to the OECD's BEPS Pillar Two rules. As at the reporting date, Singapore has yet to enact its Pillar Two legislation and is expected to introduce it effective from 1 January 2025. Due to the complexities in applying the Pillar Two model rules, the Group would be conducting a detailed review to include the assessment of every entity within the Group.

As permitted under the amendments to SFRS(I) 1-12 issued in May 2023, the Bank applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(c) *Lease Term of Contracts with Renewal Options*

The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Bank has the option, under some of its leases to lease the assets for additional terms of two to five years. The Bank applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Bank reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). The Bank includes the renewal period as part of the lease term for leases of premises due to the significance of these assets to its operations.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

(a) *Impairment loss of bills receivable and loans and advances to non-bank customers*

The Bank reviews individually significant bills receivable and loans and advances at each reporting date to assess whether an impairment loss should be recorded in the income statements. In particular, management's judgement is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, the Bank makes judgements about the borrower's or the customer's financial situation and the net realisable value of collateral. These estimates are based on assumptions on a number of factors and actual results may differ, resulting in future changes to the allowances.

3. Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(a) *Impairment loss of bills receivable and loans and advances to non-bank customers (cont'd)*

The Bank's ECL calculations under SFRS(I) 9 are outputs of models developed by the Group Model Development Team with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- (i) Internal credit grading model, which assigns PDs to the individual grades.
- (ii) Criteria for assessing if there has been a significant increase in credit risk so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.
- (iii) The segmentation of financial assets when their ECL is assessed on a collective basis.
- (iv) Various formulas and the choice of inputs used for the development of ECL models.
- (v) Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- (vi) Inputs derived based on Basel model data for calibration into the ECL models
- (vii) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

The above methodology is consistent with Malayan Banking Berhad group's accounting policy.

The carrying amount of the Bank's bills receivable and loans and advances to non-bank customers at the end of the reporting period is disclosed in Note 17 to the financial statements.

Management overlays and model adjustments

The Bank assessed adjustments to address certain model limitations due to risks from the current economic environment or to address model limitations. Overlay assessment was made based on the methodology developed by the Group Model Development Team and the ECL impact arising from the overlays taken for such model limitations are approved by the relevant committees of the Bank. The drivers for such estimation continue to evolve with the economic environment.

3. Significant accounting estimates and judgements (cont'd)**Key sources of estimation uncertainty (cont'd)****(b) Leases - Estimating the incremental borrowing rate**

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to right-of-use asset in a similar economic environment. The IBR therefore reflects what the Bank 'would have to pay', which requires an estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Bank estimates the IBR using observable inputs (such as market interest rates) when available and is required to make entity-specific estimates.

4(a). Interest income

Interest income comprises interest arising from various types of lending and investment activities.

The breakdown of interest income is as follows:

	2023 S\$'000	2022 S\$'000
Related corporations	324,587	91,306
Islamic banking activities (profit-based) *	66,938	57,795
Loans and borrowings	930,141	576,233
	<u>1,321,666</u>	<u>725,334</u>

Interest income includes income received from balances from related corporations (Note 19) of S\$128,113,000 (2022: S\$44,235,000) and income from reverse repo agreements with a related corporation (Note 15) of S\$196,473,000 (2022: S\$47,070,000).

* Refers to profit income arising from Islamic financing activities.

Interest income derived from each class of financial instruments were as follows:

	2023 S\$'000	2022 S\$'000
Financial assets at FVOCI	84,888	41,814
Financial assets at amortised cost	1,236,778	683,520
	<u>1,321,666</u>	<u>725,334</u>

Interest income derived from financial assets at amortised cost is calculated using the effective interest rate method. Included in interest income from others is interest income of S\$10,339,000 (2022: S\$7,456,000) from impaired loans to customers.

Notes to the financial statements
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4(b). Interest expense

Interest expense refers to interest incurred on deposits and borrowings.

The breakdown of interest expense is as follows:

	2023 S\$'000	2022 S\$'000
Related corporations	18,572	18,878
Islamic banking activities *	51,406	17,549
Others	778,992	246,725
	<u>848,970</u>	<u>283,152</u>

Interest expense includes S\$18,500,000 (2022: S\$18,399,000) in interest for S\$500,000,000 subordinated notes subscribed by a related corporation (Note 28) and S\$37,428,000 (2022: S\$13,581,000) in interest for debt securities issued.

* Refers to profit/ dividend/ hibah expense arising from Islamic deposits activities.

Interest expense derived from each class of financial instruments were as follows:

	2023 S\$'000	2022 S\$'000
Financial liabilities at amortised cost using the effective interest method	776,017	257,107
<i>Other interest expense</i>		
Financial liabilities designated at FVTPL	72,953	26,045
	<u>848,970</u>	<u>283,152</u>

5. Fee and commission income and expense

Fee and commission income comprises mainly remittance and credit card commissions, trade financing fees, credit-related fees and wealth management fees.

	2023 S\$'000	2022 S\$'000
Fee and commission income:		
A related corporation	18,849	29,065
Islamic banking activities	7,473	7,433
Others	207,607	173,450
	<u>233,929</u>	<u>209,948</u>

Notes to the financial statements
For the financial year ended 31 December 2023

5. Fee and commission income and expense (cont'd)

Fee and commission expense comprises mainly card and network-related charges, brokerage fees and safe custody fees.

	2023 S\$'000	2022 S\$'000
Fee and commission expense:		
A related corporation	53	75
Islamic banking activities	478	619
Others	48,254	34,451
	<u>48,785</u>	<u>35,145</u>

6. Dealing profits and foreign exchange income

	2023 S\$'000	2022 S\$'000
Fair value (loss)/gain on interest rate derivatives	(1,219)	817
Fair value gains on foreign exchange derivatives	22,013	15,681
Sales margin received from related corporation	7,154	35,415
Others	-	1
	<u>27,948</u>	<u>51,914</u>

7. Other income

	2023 S\$'000	2022 S\$'000
Government grants	469	1,860
Gain/(loss) on sale of FVOCI securities	146	(2,268)
Service fee income charged to related corporations	55,458	41,366
Others	394	93
	<u>56,467</u>	<u>41,051</u>

Service fee income charged to related corporations included overhead expenses charged under service level agreements. Transfer prices between related corporations are on an arm's length basis in a manner similar to transactions with third parties.

Notes to the financial statements
For the financial year ended 31 December 2023

8. Staff and other remuneration

	2023 S\$'000	2022 S\$'000
Wages, salaries and bonuses	233,663	214,402
Directors' remuneration	1,025	965
Commission	21,071	20,973
Contribution to defined contribution plan	27,078	25,378
Staff allowances	10,552	9,622
Others	9,951	10,532
	<u>303,340</u>	<u>281,872</u>

The above includes employment-related government grants received during the year totalling S\$500,000 (2022: S\$941,000) and key management remuneration as disclosed in Note 40.

9. Other operating expenses

	Note	2023 S\$'000	2022 S\$'000
Amount paid/payable to Statutory Auditor		605	630
Depreciation of property and equipment	23	7,376	6,652
Depreciation of right-of-use assets	22	15,468	14,212
Amortisation of intangible assets	21	19,755	27,237
Rental and maintenance of premises, property and equipment		22,135	22,775
Administration expenses		47,548	44,354
Information and technology expenses		9,083	7,162
Service charges and fees		30,844	24,706
Irrecoverable GST input tax		5,005	3,816
Finance cost	22	1,535	796
Expenses allocated by related corporations		19,698	19,011
Others		8,164	9,167
		<u>187,216</u>	<u>180,518</u>

Overhead expenses allocated by related corporations include overhead expenses charged by related corporations under service level agreements. Transfer prices between related corporations are on an arm's length basis in a manner similar to transactions with third parties. These expenses include marketing-related costs shared with a related corporation.

Rental expenses allocated by related corporation amounted to S\$10,907,000 (2022: S\$10,739,000). Low value assets expenses are included in rental expenses which amounted to S\$221,000 (2022: S\$233,000).

Notes to the financial statements
For the financial year ended 31 December 2023

10. Allowances for/(write-back) impairment losses on financial assets

	Note	2023 S\$'000	2022 S\$'000
Investment securities	13, 14	245	92
Balances and placements with and loans to banks and amounts due from related corporations		7,908	710
Bills receivable and loans and advances to non-bank customers		68,464	79,620
Contingent liabilities		615	366
Bad debts recovered		(5,996)	(7,482)
Bad debts written-off		247	311
		<u>71,483</u>	<u>73,617</u>

11. Taxation

	Note	2023 S\$'000	2022 S\$'000
Current income tax expense			
Current year		31,772	30,681
Underprovisions in respect of previous year		5,561	437
		<u>37,333</u>	<u>31,118</u>
Deferred tax expense			
Movements in temporary differences	27	(7,512)	(5,620)
		<u>(7,512)</u>	<u>(5,620)</u>
Zakat		<u>17</u>	<u>-</u>
Total tax expense		<u>29,838</u>	<u>25,498</u>

11. Taxation (cont'd)***Reconciliation of tax expense***

The following represents a numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate:

	2023 S\$'000	2022 S\$'000
Profit before taxation	180,216	173,943
Tax at statutory income tax rate of 17%	30,637	29,570
Adjustments:		
Tax exempt revenue	(73)	(20)
Tax incentives*	(2,647)	(1,724)
Expenses not deductible for tax purposes	251	218
Under provisions in respect of previous years	5,561	437
Others	(3,891)	(2,983)
	29,838	25,498

* Chargeable income arising from the Bank's qualifying transactions is taxed at concessionary tax rate of 13.5% pursuant to the Financial Sector Incentive - Standard Tier ("FSI-ST") Scheme.

12. Cash and balances with central bank

Cash and balances with central bank include cash on hand of S\$57,707,000 (2022: S\$97,178,000) and balances with central bank of S\$1,090,477,000 (2022: S\$1,244,266,000). The amount is unsecured and non-interest-bearing.

Included in balances with central bank is the balance held in custody for regulatory maintenance of S\$140,000,000 (2022: S\$300,000,000) which is not available for use in the Bank's day-to-day operations.

13. Government securities and treasury bills

	2023 S\$'000	2022 S\$'000
Fair value through other comprehensive income	2,021,815	2,170,390
Amortised cost	1,720,870	251,133
Allowance for impairment	(272)	(32)
	3,742,413	2,421,491

All government securities and treasury bills are of investment grade.

13. Government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Government securities and treasury bills at FVOCI^(a)</u>				
At 1 January 2023	2,170,390	-	-	2,170,390
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	1,818,409	-	-	1,818,409
Changes in fair value	5,064	-	-	5,064
Amount derecognised through disposal or maturity (excluding write offs)	(1,972,048)	-	-	(1,972,048)
At 31 December 2023	2,021,815	-	-	2,021,815
<u>Government securities and treasury bills at FVOCI</u>				
At 1 January 2022	4,189,410	-	-	4,189,410
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	2,304,185	-	-	2,304,185
Changes in fair value	(133,795)	-	-	(133,795)
Amount derecognised through disposal or maturity (excluding write offs)	(4,189,410)	-	-	(4,189,410)
At 31 December 2022	2,170,390	-	-	2,170,390

All government securities and treasury bills measured at FVOCI during the year are classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL.

^(a) Included in here is an impact on reclassification. Refer to Note 35(a) for more details.

13. Government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Government securities and treasury bills at amortised cost^(a)</u>				
At 1 January 2023	251,133	-	-	251,133
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	1,469,737	-	-	1,469,737
Amount derecognised through disposal or maturity (excluding write offs)	-	-	-	-
At 31 December 2023	1,720,870	-	-	1,720,870
<u>Government securities and treasury bills at amortised cost</u>				
At 1 January 2022	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	251,133	-	-	251,133
Changes in fair value	-	-	-	-
Amount derecognised through disposal or maturity (excluding write offs)	-	-	-	-
At 31 December 2022	251,133	-	-	251,133

All government securities and treasury bills measured at amortised cost during the year are classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL.

(a) Included in here is an impact on reclassification. Refer to Note 35(a) for more details.

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14. Other Debt securities

	2023 S\$'000	2022 S\$'000
Fair value through other comprehensive income	98,196	143,606
Amortised cost	162,682	55,414
Allowance for impairment at amortised cost	(24)	(7)
	<u>260,854</u>	<u>199,013</u>

All other debt securities are of investment grade.

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Other Debt securities at				
<u>FVOCI^(a)</u>				
At 1 January 2023	143,606	-	-	143,606
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	96,011	-	-	96,011
Changes in fair value	2,185	-	-	2,185
Amount derecognised through disposals or maturity (excluding write offs)	(143,606)	-	-	(143,606)
At 31 December 2023	<u>98,196</u>	<u>-</u>	<u>-</u>	<u>98,196</u>

Other debt securities at FVOCI

At 1 January 2022	157,652	-	-	157,652
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	159,405	-	-	159,405
Changes in fair value	(15,799)	-	-	(15,799)
Amount derecognised through disposals or maturity (excluding write offs)	(157,652)	-	-	(157,652)
At 31 December 2022	<u>143,606</u>	<u>-</u>	<u>-</u>	<u>143,606</u>

All debt securities measured at FVOCI during the year are classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL.

^(a) Included in here is an impact on reclassification. Refer to Note 35(a) for more details.

14. Other Debt securities (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Other debt securities at amortised cost^(a)</u>				
At 1 January 2023	55,414	-	-	55,414
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	162,682	-	-	162,682
Amount derecognised through disposals or maturity (excluding write offs)	(55,414)	-	-	(55,414)
At 31 December 2023	162,682	-	-	162,682
<u>Other debt securities at amortised cost</u>				
At 1 January 2022	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	55,414	-	-	55,414
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2022	55,414	-	-	55,414

All other debt securities measured at amortised cost during the year are classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL.

(a) Included in here is an impact on reclassification. Refer to Note 35(a) for more details.

15. Repurchase and Resale agreements

During its normal course of business, the Bank purchases securities under agreements to resell (reverse repos), for which the Bank has the right to resell the securities.

At the end of the reporting period, receivables under resale agreements ("reverse repo") are as follows:

	Fair value of receivables under resale agreement		Principal amount of corresponding receivables	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Government securities and treasury bills	4,927,831	1,847,248	4,934,166	1,848,585
Other debt Securities	726,622	929,366	707,882	915,144

Corresponding receivables are classified under amounts due from/to related corporations (Note 19). All resale agreements are entered into with a related corporation of an investment grade and classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL and amounts to S\$7,781,000 (2022: S\$689,000).

16. Balances and placements with and loans to banks

	2023 S\$'000	2022 S\$'000
Gross balances and placements with and loans to banks	104,898	169,946
Allowance for impairment:		
Stage 1 - 12 months' ECL	(60)	(58)
Net of impairment	104,838	169,888

Included in balances and placements with and loans to banks are nostro accounts.

All balances and placements with and loans to banks placed during the year are classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL.

17. Bills receivable and loans and advances to non-bank customers

	2023 S\$'000	2022 S\$'000
Bills receivable	1,481	12,976
Loans and advances to non-bank customers	25,066,306	24,620,565
Allowance for impairment	(298,960)	(265,587)
Net of impairment	24,768,827	24,367,954

* Loans and advances to non-bank customers include balances from related corporations of S\$29,000 (2022: S\$41,000).

An analysis of movements in bills receivable and loans and advances to non-bank customers and corresponding ECL allowances are as follows:

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Gross Bills receivable and loans and advances to non-bank customers				
At 1 January 2023	23,911,876	617,606	104,059	24,633,541
Transfers to Stage 1	205,337	(198,455)	(6,882)	-
Transfers to Stage 2	(727,196)	731,883	(4,687)	-
Transfers to Stage 3	(113,281)	(42,187)	155,468	-
New assets originated, staged as at year end	8,812,655	204,084	19,475	9,036,214
Amount written off	-	-	(35,092)	(35,092)
Amount derecognised or repaid (excluding write offs)	(8,222,209)	(322,809)	(21,858)	(8,566,876)
At 31 December 2023	23,867,182	990,122	210,483	25,067,787
At 1 January 2022	23,543,128	997,534	137,822	24,678,484
Transfers to Stage 1	508,973	(497,510)	(11,463)	-
Transfers to Stage 2	(366,397)	380,877	(14,480)	-
Transfers to Stage 3	(29,981)	(41,764)	71,745	-
New assets originated, staged as at year end	7,181,534	122,439	-	7,303,973
Amount written off	-	-	(39,452)	(39,452)
Amount derecognised or repaid (excluding write offs)	(6,925,381)	(343,970)	(40,113)	(7,309,464)
At 31 December 2022	23,911,876	617,606	104,059	24,633,541

17. Bills receivable and loans and advances to non-bank customers (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
ECL allowances of bills receivable and loans and advances to non-bank customers				
At 1 January 2023	131,655	72,182	61,751	265,588
Transfers to Stage 1	25,359	(23,691)	(1,668)	-
Transfers to Stage 2	(9,957)	11,995	(2,038)	-
Transfers to Stage 3	(1,776)	(8,099)	9,875	-
New assets originated, staged as at year end	53,224	19,773	13,413	86,410
Impact of ECL during the year	(23,654)	29,184	51,259	56,789
Changes in model assumptions	(19,336)	(2,734)	-	(22,070)
Amount written off	-	-	(35,092)	(35,092)
Amount derecognised or repaid (excluding write offs)	(40,471)	(8,599)	(3,595)	(52,665)
At 31 December 2023	115,044	90,011	93,905	298,960
ECL allowances of bills receivable and loans and advances to non-bank customers				
At 1 January 2022	95,130	51,985	78,304	225,419
Transfers to Stage 1	15,823	(12,651)	(3,172)	-
Transfers to Stage 2	(2,851)	7,199	(4,348)	-
Transfers to Stage 3	(241)	(1,841)	2,082	-
New assets originated, staged as at year end	45,721	12,282	-	58,003
Impact of ECL during the year	10,897	35,830	28,905	75,632
Changes in model assumptions	(16,011)	(15,353)	-	(31,364)
Amount written off	-	-	(39,452)	(39,452)
Amount derecognised or repaid (excluding write offs)	(16,813)	(5,270)	(568)	(22,651)
At 31 December 2022	131,655	72,181	61,751	265,587

ECL for undrawn loan commitments are included in the ECL allowances of bills receivable and loans and advances to non-bank customers, as part of the exposures at default.

Changes in model assumptions refer to ECL taken to address model limitations and this is referred to as management overlays and model adjustments amounting to S\$10,902,000 (2022: S\$32,972,000).

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18. Impaired credit facilities

	2023 S\$'000	2022 S\$'000
Gross Impaired loans and advances to customers	210,483	104,059

Impaired credit facilities represent all outstanding credit facilities, including direct credit substitutes and transaction related contingencies, if any, classified as sub-standard, doubtful and loss in accordance with the MAS's loan grading guidelines under MAS Notice to Bank No. 612 "Credit Files, Grading and Provisioning". As at 31 December 2023, there are no impaired direct credit substitutes and transaction related contingencies (2022: S\$Nil). All impaired credit facilities are classified as "Stage 3", as disclosed in Note 17.

19. Amounts due from/due to related corporations

Amounts due from related corporations comprise placements and other balances with related corporations of the Bank. Included in amounts due from related corporation are placements of S\$3,220,658,000 (2022: S\$3,114,974,000) which are unsecured and bear interest from 0.0% to 5.4% (2022: 0.8% to 4.9%) per annum. It also includes receivables under resale agreements of S\$5,642,048,000 (2022: S\$2,763,729,000) which are interest bearing, ranging from 3.5% to 5.4% (2022: 3.0% to 4.6%) per annum (Note 15).

Amounts due to related corporations comprise of current accounts maintained by other related corporations with the Bank. These amounts are unsecured and non-interest bearing.

20. Other assets

	Note	2023 S\$'000	2022 S\$'000
Derivative financial instruments	34	26,278	12,049
Sundry deposits		7,244	6,735
GST input tax		12,623	11,967
Sundry debtors		43,660	37,108
Government grant receivable		338	338
Margin placed with related corporation		68,800	63,552
		158,943	131,749

Margin placed with related corporation balances are interest-bearing at market interest rates.

21. Intangible assets

	Note	IT software S\$'000
Cost		
At 1 January 2022		153,158
Additions		38,290
Disposals		-
Write-off		-
Transfer		(19,115)
At 31 December 2022 and at 1 January 2023		172,333
Additions		29,363
Disposals		-
Write-off		-
Transfer		(10,843)
At 31 December 2023		190,853
Accumulated amortisation		
At 1 January 2022		70,202
Amortisation charge for the year	9	27,237
Disposals		-
At 31 December 2022 and at 1 January 2023		97,439
Amortisation charge for the year	9	19,755
Disposals		-
At 31 December 2023		117,194
Net book value		
At 31 December 2023		73,659
At 31 December 2022		74,894

Included in intangible assets are IT software work-in-progress of approximately S\$33,173,000 (2022: S\$25,405,000). Upon completion, it will be reflected as "Transfer" to completed software for amortisation.

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22. Leases

The Bank has various operating lease agreements for office premises, data centre and ATM space. Most leases contain renewable options. Lease terms do not contain restrictions on the Bank's activities concerning additional debt or further leasing. Termination refers to expiry of existing leases with no exercise of renewal options during the period.

The movement in right-of-use assets are as follows:

	Note	Premises S\$'000	Data Centre S\$'000	ATM Space S\$'000	Total S\$'000
Cost					
At 1 January 2022		63,851	19,238	1,324	84,413
Additions		3,879	-	336	4,215
Modifications		2,858	-	-	2,858
Termination		-	-	(240)	(240)
At 31 December 2022 and at 1 January 2023		70,588	19,238	1,420	91,246
Additions		-	18,546	402	18,948
Modifications		13,954	-	-	13,954
Termination		(576)	(13,286)	(358)	(14,220)
At 31 December 2023		83,966	24,498	1,464	109,928
Accumulated depreciation					
At 1 January 2022		25,108	12,213	720	38,041
Depreciation charge for the year	9	9,724	4,071	417	14,212
Termination		-	-	(226)	(226)
At 31 December 2022 and at 1 January 2023		34,832	16,284	911	52,027
Depreciation charge for the year	9	10,140	4,951	377	15,468
Modifications		-	-	-	-
Termination		(576)	(13,286)	(351)	(14,213)
At 31 December 2023		44,396	7,949	937	53,282
Net book value					
At 31 December 2023		39,570	16,549	527	56,646
At 31 December 2022		35,756	2,954	509	39,219

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22. Leases (cont'd)

The movement in lease liabilities are as follows:

	Note	2023 S\$'000	2022 S\$'000
At beginning of year		39,550	46,420
Additions		32,778	6,968
Termination		(7)	(21)
Repayment		(16,139)	(14,613)
Finance cost	9	1,535	796
At end of year		57,717	39,550

The impact of the application of SFRS(I) 16 to the statement of comprehensive income for the financial year ended 31 December 2023 and 2022 is shown as below:

	2023 S\$'000	2022 S\$'000
Depreciation of right-of-use assets	15,469	14,212
Finance cost	1,535	796
Expense relating to leases of short-term and low-value assets	826	291
Total expense recognised in the income statement	17,830	15,299

The impact of the application of SFRS(I) 16 on the disclosure in the statement of cash flows for the financial year ended 31 December 2023 and 2022 is shown as below:

	2023 S\$'000	2022 S\$'000
Total cash outflows for leases		
Payment of principal portion of lease liabilities	14,604	13,817
Finance cost paid	1,535	796
	16,139	14,613

23. Property and equipment

	Note	Renovation S\$'000	Office equipment, furniture and fittings & others S\$'000	Computer and electrical equipment S\$'000	Motor vehicles S\$'000	Construction- in-progress S\$'000	Total S\$'000
Cost							
At 1 January 2023		12,886	912	31,971	557	5,488	51,814
Additions		235	217	3,594	710	4,627	9,383
Disposals		(1)	-	(54)	(355)	-	(410)
Transfers		2,548	35	4,416	-	(7,057)	(58)
At 31 December 2023		15,668	1,164	39,927	912	3,058	60,729
Accumulated depreciation							
At 1 January 2023		9,151	674	19,264	452	-	29,541
Depreciation charge for the year	9	1,760	109	5,454	53	-	7,376
Disposals		(1)	-	(54)	(355)	-	(410)
At 31 December 2023		10,910	783	24,664	150	-	36,507
Net book value							
At 31 December 2023		4,758	381	15,263	762	3,058	24,222

23. Property and equipment (cont'd)

	Note	Renovation S\$'000	Office equipment, furniture and fittings & others S\$'000	Computer and electrical equipment S\$'000	Motor vehicles S\$'000	Construction- in-progress S\$'000	Total S\$'000
Cost							
At 1 January 2022		11,758	812	26,788	557	3,134	43,049
Additions		1,188	132	5,223	-	3,568	10,111
Disposals		(60)	(32)	(40)	-	-	(132)
Transfers		-	-	-	-	(1,214)	(1,214)
At 31 December 2022		12,886	912	31,971	557	5,488	51,814
Accumulated depreciation							
At 1 January 2022		7,708	606	14,288	412	-	23,014
Depreciation charge for the year	9	1,499	100	5,013	40	-	6,652
Disposals		(56)	(32)	(37)	-	-	(125)
At 31 December 2022		9,151	674	19,264	452	-	29,541
Net book value							
At 31 December 2022		3,735	238	12,707	105	5,488	22,273

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24. Amounts due to central bank

	2023 S\$'000	2022 S\$'000
Amounts due to central bank at amortised cost	57,098	409,365

The above relates to S\$57,098,000 (2022: S\$409,365,000) outstanding balance due to central bank which is drawn under the MAS SGD facility for ESG loan funding. These amounts are secured and bear interest at a fixed rate of 0.1% per annum with maturity dates in 2024.

25. Deposits of non-bank customers

	2023 S\$'000	2022 S\$'000
Conventional banking activities	31,499,229	26,960,937
Islamic banking activities	1,874,709	1,532,503
Financial liabilities at amortised cost	33,373,938	28,493,440
Financial liabilities designated at FTVPL	1,870,583	1,958,029
Total deposits of non-bank customers	35,244,521	30,451,469

Included in deposits of non-bank customers is certain structured deposits designated at FVTPL. This designation is permitted under SFRS(I) 9 Financial Instruments as it significantly reduces accounting mismatch. These instruments are managed by the Bank on the basis of their fair values and include terms with derivative characteristics.

26. Other liabilities

	Note	2023 S\$'000	2022 S\$'000
Derivative financial instruments	34	63,180	86,468
Sundry creditors		84,690	70,208
Provisions and accrued operating expenses		112,440	107,746
ECL for contingent liabilities	32	1,315	700
		261,625	265,122

Sundry creditors includes margin deposits received from related corporation of S\$2,458,000 in the previous year.

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27. Deferred tax assets

Movements in deferred tax assets during the financial year are as follows:

	At 1/1/2023 S\$'000	(Charged)/credited to Profit or loss S\$'000 (Note 11)	Fair value adjustment reserve S\$'000	At 31/12/2023 S\$'000
Deferred tax assets/(liabilities)				
Government and other debt securities - FVOCI	20,195	-	(20,405)	(210)
Property and equipment and leases	(9,608)	1,439	-	(8,169)
Others	5,334	6,073	-	11,407
Net deferred tax assets	15,921	7,512	(20,405)	3,028

	At 1/1/2022 S\$'000	(Charged)/credited to Profit or loss S\$'000 (Note 11)	Fair value adjustment reserve S\$'000	At 31/12/2022 S\$'000
Deferred tax assets/(liabilities)				
Government and other debt securities - FVOCI	4,926	-	15,269	20,195
Property and equipment and leases	(11,059)	1,451	-	(9,608)
Others	1,165	4,169	-	5,334
Net deferred tax assets	(4,968)	5,620	15,269	15,921

28. Subordinated Notes

	2023 S\$'000	2022 S\$'000
Subordinated note at amortised cost	504,916	504,916

On 26 March 2020, the Bank had issued an S\$500,000,000 3.7% subordinated notes due 2030 (the "Notes"). The Notes were issued in denominations of S\$250,000 and shall bear interest on their outstanding principal amount at 3.7% p.a. in respect of the period from the issue date 26 March 2020 until reset date 26 March 2025. The Notes were fully subscribed by a related corporation, which is a bank.

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29. Debt securities issued

	2023 S\$'000	2022 S\$'000
Debt securities issued at amortised cost	639,385	808,472

Debt securities were issued under a perpetual unsecured unsubordinated USD Commercial Paper Programme ["USCP"] of up to USD10 billion established by Maybank Singapore Limited. Maturities range from overnight to up to 187 days from date of issue as agreed upon by the issuer and the purchaser of the USCPs. USCPs are issued at par less a discount representing an interest factor or, if interest bearing, at par.

30. Share capital

	2023		2022	
	No of shares '000	S\$'000	No of shares '000	S\$'000
At end of year	2,000,000	2,000,000	2,000,000	2,000,000

31. Dividends

	2023 S\$'000	2022 S\$'000
Declared and paid during the financial year:		
<u>Dividends on ordinary shares</u>		
Final dividend for 2023: S\$0.03 per share	60,000	-
Final dividend for 2022: S\$0.01 per share	-	20,000
	60,000	20,000

32. Contingent liabilities

	2023 S\$'000	2022 S\$'000
Direct credit substitutes	41,675	43,778
Transaction-related contingencies	138,901	92,389
Trade-related contingencies	85,830	100,860
	266,406	237,027

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32. Contingent liabilities (cont'd)

Included in direct credit substitutes and trade-related contingencies are financial guarantees, shipping guarantees and letter of credit of S\$98,497,000 (2022: S\$91,195,000) subject to ECL in which the Bank has direct exposures. The Bank has assessed that the remaining contingent liabilities are scoped out for ECL purposes as the Bank is not exposed to any contractual credit commitments on these products.

An analysis of movements in the contingent liabilities that are subject to ECL and corresponding ECL allowances are as follows:

Gross carrying amount of contingent liabilities	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
At 1 January 2023	86,698	4,497	-	91,195
Transfers to Stage 1	90	(90)	-	-
Transfers to Stage 2	(8,762)	8,762	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	63,050	6,374	-	69,424
Amount written off	-	-	-	-
Exposures extinguished or matured (excluding write offs)	(58,886)	(3,236)	-	(62,122)
At 31 December 2023	82,190	16,307	-	98,497
At 1 January 2022	93,775	8,970	-	102,745
Transfers to Stage 1	5,055	(5,055)	-	-
Transfers to Stage 2	(1,055)	1,055	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	65,336	1,702	-	67,038
Amount written off	-	-	-	-
Exposures extinguished or matured (excluding write offs)	(76,413)	(2,175)	-	(78,588)
At 31 December 2022	86,698	4,497	-	91,195

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32. Contingent liabilities (cont'd)

ECL allowances of contingent liabilities	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
At 1 January 2023	528	172	-	700
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(183)	183	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	527	70	-	597
Impact of ECL during the year	42	262	-	304
Amount written off	-	-	-	-
Exposures derecognised or matured (excluding write offs)	(212)	(74)	-	(286)
At 31 December 2023	702	613	-	1,315
At 1 January 2022	266	68	-	334
Transfers to Stage 1	18	(18)	-	-
Transfers to Stage 2	(2)	2	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	360	12	-	372
Impact of ECL during the year	57	133	-	190
Amount written off	-	-	-	-
Exposures derecognised or matured (excluding write offs)	(171)	(25)	-	(196)
At 31 December 2022	528	172	-	700

33. Commitments

	2023 S\$'000	2022 S\$'000
Credit commitments:		
- Undrawn credit lines and other commitments to extend credit	9,533,928	9,700,260

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. These balances are subject to ECL and are included in the ECL allowances of bills receivable and loans and advances to non-bank customers (Note 17).

33. Commitments (cont'd)

Other commitments include:

	2023 S\$'000	2022 S\$'000
Forward deposits placed	3,522	110,490
Forward deposits taken	187	1,014
Total commitments	9,537,637	9,811,764

34. Derivative financial instruments

The derivative financial instruments shown in the following tables are held-for-trading purposes. The contractual or underlying principal amounts of these derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at the end of the reporting period are analysed below.

Positive and negative fair values are the mark-to-market values of the derivative contracts. Notional principal amounts are the amounts of principal underlying the contract at the end of the reporting period.

2023	Notional amounts S\$'000	Assets (Note 20) S\$'000	Liabilities (Note 26) S\$'000
Foreign exchange derivatives			
Forward foreign exchange	2,770,028	4,186	8,967
Options	65,552	192	670
	2,835,580	4,378	9,637
Interest rate derivatives			
Swaps	1,902,191	21,888	28,763
Options	933,548	12	24,780
	2,835,739	21,900	53,543
Other derivatives			
Equities	31,302	-	-
Total	5,702,621	26,278	63,180

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34. Derivative financial instruments (cont'd)

2022	Notional amounts S\$'000	Assets (Note 20) S\$'000	Liabilities (Note 26) S\$'000
Foreign exchange derivatives			
Forward foreign exchange	1,380,275	3,031	2,954
Options	75,410	3,401	3,676
	1,455,685	6,432	6,630
Interest rate derivatives			
Swaps	2,136,176	5,537	72,303
Options	496,057	80	7,535
	2,632,233	5,617	79,838
Total	4,087,918	12,049	86,468

Derivative assets and derivative liabilities are offset and the net amounts are reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements are as follows:

	Gross amount of recognised financial assets/ liabilities S\$'000	Gross amount offset in the statement of financial position S\$'000	Amount presented in the statement of financial position S\$'000	Amount not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral received/ pledged S\$'000	
2023						
Financial assets						
Derivative assets	48,920	(22,642)	26,278	(21,355)	-	4,923
Financial liabilities						
Derivative liabilities	85,822	(22,642)	63,180	(21,355)	-	41,825

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34. Derivative financial instruments (cont'd)

Offsetting of financial assets and financial liabilities (cont'd)

2022	Gross amount of recognised financial assets/ liabilities S\$'000	Gross amount offset in the statement of financial position S\$'000	Amount presented in the statement of financial position S\$'000	Amount not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral received/ pledged S\$'000	
Financial assets						
Derivative assets	20,718	(8,669)	12,049	(8,767)	-	3,282
Financial liabilities						
Derivative liabilities	95,135	(8,669)	86,466	(8,767)	-	77,699

* Master netting arrangement and similar arrangements impacting the Bank are entered into by the ultimate holding company. The relevant financial collateral received/pledged are maintained by the ultimate holding company.

The table below sets out the maturity analysis of the notional principal amounts of derivative contracts:

2023	Notional amount (Maturity)			
	Within 6 months S\$'000	Between 6 to 12 months S\$'000	More than 1 year S\$'000	Total S\$'000
Foreign exchange derivatives				
Forward foreign exchange	2,506,583	262,987	458	2,770,028
Options	65,182	370	-	65,552
Interest rate derivatives				
Swaps	69,565	38,170	1,794,456	1,902,191
Options	-	-	933,548	933,548
Other derivatives				
Equities	3,485	27,817	-	31,302
Total	2,644,815	329,344	2,728,462	5,702,621

34. Derivative financial instruments (cont'd)

Offsetting of financial assets and financial liabilities (cont'd)

2022	Notional amount (Maturity)			Total S\$'000
	Within 6 months S\$'000	Between 6 to 12 months S\$'000	More than 1 year S\$'000	
Foreign exchange derivatives				
Forward foreign exchange	1,189,731	190,544	-	1,380,275
Options	48,981	26,429	-	75,410
Interest rate derivatives				
Swaps	34,965	542,738	1,558,473	2,136,176
Options	-	-	496,057	496,057
Total	1,273,677	759,711	2,054,530	4,087,918

Notional amounts of derivative financial instruments entered into with the ultimate holding company, other branches and subsidiaries of the ultimate holding company are as follows:

	2023 S\$'000	2022 S\$'000
Foreign exchange derivatives		
Forward foreign exchange	2,180,183	1,180,519
Options	32,539	24,167
Interest rate derivatives		
Swaps	1,902,191	2,136,176
Options	933,548	496,057
Total	5,048,461	3,836,919

As at 31 December 2023, the net derivative liabilities to related parties amounted to S\$47,713,000 (net derivative liabilities in 2022: S\$69,614,000).

35. Financial risk management objectives and policies

(a) *Introduction and overview*

This note discusses the management of credit risk, liquidity risk and market risk as well as the Bank's policies and procedures for the early identification and proactive management of these risks.

Enterprise Risk Management Framework

The Bank's risk management framework facilitates effective risk oversight through a sound and well-defined internal governance model, with a clear structure of risk ownership and accountability. The framework is supported by other risk policies and detailed procedures/guidelines to guide businesses in proactive risk management, whilst working towards achieving their business objectives. The risk management framework is reviewed regularly to keep it relevant to the Bank's business strategy and prevailing market conditions.

Under the Bank's risk governance structure, the Board of Directors has overall responsibility for risk management oversight, including financial risk management. The Board approves the Bank's risk management framework and risk appetite; and ensures that Senior Management takes the necessary steps to identify, measure, control and monitor the risks.

Board oversight is supported by a Board level Committee - the Risk Management and Compliance Committee ("RMCC"). In addition, the Board is supported by several Executive Level Risk Management Committees - the Singapore Management Committee ("SMC"), the Executive Risk Management Committee ("ERC"), the Credit Committee Singapore ("CCS"), Non-Financial Risk Committee ("NFRC") and the Asset & Liability Management Committee ("ALCO").

The RMCC, SMC, ERC, CCS, NFRC and ALCO ensure that sound risk management policies and procedures are in place. Policies are established to manage/address the risks while limits and controls are set and constantly monitored to keep exposures within tolerance levels.

In August 2023, the Group approved a revised risk management framework (Group Investment Management Framework). The reclassification due to the business model change was implemented in December 2023. As a result, the Bank reclassified debt securities with face value totaling S\$1.559b from FVOCI to AC and S\$55m debt securities from AC to FVOCI, resulting in a net movement of S\$109m in other comprehensive income for the year as at 16 December 2023. Of the S\$1.559b debt securities reclassified from FVOCI to AC, S\$1.397b were government securities and treasury bills, while S\$0.162b were other debt securities. The S\$55m reclassified from AC to FVOCI wholly consist of other debt securities.

(b) *Credit risk*

Credit risk is the potential loss from any failure in the ability or the unwillingness of the borrowers to fulfil their financial and/or contractual obligations as and when they fall due.

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(i) Management of credit risk

Credit risk is the risk of loss of principal or income arising from the failure of an obligor or counterparty to perform their contractual obligations in accordance with agreed terms.

Non-retail (commercial) credit risks are assessed by business units and evaluated/approved jointly by business and credit (independent party) within the Bank, where each customer is assigned a credit rating based on the assessment of relevant qualitative and quantitative factors including borrower's/customer's financial position, future cash flows, types of facilities and securities offered. Reviews are conducted at least once a year with updated information on borrower's/customer's financial position, market position, industry and economic condition and account conduct. Corrective actions are taken when the accounts show signs of credit deterioration.

Retail credit exposures are managed on a programme basis. Credit programmes are assessed jointly between credit risk and business units. Reviews on credit programmes are conducted at least once a year to assess the performance of the portfolios.

The Bank's credit risk management framework manages the credit quality of its loan portfolio. This framework covers credit approval process, credit policies and guidelines, credit risk rating systems, credit risk mitigation process, credit administration documentation, training and credit personnel.

The Bank adopts a risk-based credit approval process requiring loan approval at successively higher joint levels and/or committees (as delegated) according to the risk level of the application. Loans that exceed the authority limit of SGD320 million/SGD1.6 billion (tiered by credit rating) will be escalated to the Board of Directors for affirmation. Core credit risk policies, framework and guidelines are approved in accordance with the prevailing Policy on Risk Documents.

In view that authority limits are directly related to the risk levels of the borrower and transaction, a Risk-Based Authority Limit structure was implemented based on Borrower Risk Rating (BRR) via the internally developed Credit Risk Rating System ("CRRS").

The Bank practises risk diversification and has in place structures to control the appropriate limits and exposures. Limits are established and regularly monitored in the area of country exposures, industry groups, product groups, collateral types and single counterparty exposures.

35. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(ii) *Credit Risk Measurement*

This section should be read in conjunction with the impairment policies (Note 2.11) within the summary of material accounting policies.

Significant increase in credit risk ("SICR")

In order to determine whether an instrument is subject to 12mECL or LTECL, the Bank assesses whether there has been a SICR since initial recognition. SICR is recognised based on the change in the risk of default between initial recognition and reporting date.

For rated accounts, internal ratings are used in determining the rating deterioration. Rating deterioration will be tiered according to the current risk management practice which segregates the internal ratings according to four risk categories, i.e. very low, low, medium and high, as described in Note 35(b)(iv). In addition to rating deterioration, the Bank also uses criteria like days-past-due (dpd) and other judgemental triggers that will lead to accounts/borrowers moving to Watchlist or Special Mention categories.

Definition of default and cure

The Bank considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As part of a qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Bank considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- i. Rescheduling and Restructuring due to deterioration in financial condition of the borrower.
- ii. The borrower has ceased operation or bankruptcy or winding up or under insolvency proceedings or classified as financially distressed by a stock exchange or financial regulator.
- iii. Material fraud, criminal act or breach of trust committed by the borrower.
- iv. Deterioration in internal or external credit rating of the borrower from original rating.
- v. Deterioration of financial positions of the borrower.
- vi. A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- vii. Loss of license and regulatory approval that affects business continuity measured by material impact of > 50% of the company's turnover.
- viii. A covenant breach not waived by the Bank.

35. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(ii) *Credit Risk Measurement (cont'd)*

Definition of default and cure (cont'd)

The Bank considers a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Grouping financial assets measured on a collective basis

The Bank's retail portfolios are under Basel II Advanced Internal Ratings-Based ("AIRB") Approach. This approach calls for more extensive reliance on the Bank's own internal experience whereby estimations for all the three components of Risk-Weighted Assets ("RWA") calculation namely PD, EAD and LGD are based on its own historical data. Separate PD, EAD and LGD statistical models were developed at the respective retail portfolio level; each model covering borrowers with fundamentally similar risk profiles in a portfolio. Currently, the Bank retail portfolios are segregated into 4 segments, namely Housing, Cards, Equity Term Loans and Hire Purchase.

For non-retail portfolios, the Bank uses internal credit models for evaluating the majority of its credit risk exposures. For Commercial Banking and Bank portfolios, the Bank has adopted the Foundation Internal Ratings-Based ("FIRB") Approach, which allows the Bank to use its internal PD estimates to determine an asset risk weighting and apply supervisory estimates for LGD and EAD. CRRS is developed to allow the Bank to identify, assess and measure commercial and small business borrowers' credit risk. CRRS is a statistical default prediction model. The model was developed and recalibrated to suit the Bank's environment using internal data. The model development process was conducted and documented in line with specific criteria for model development in accordance to Basel II. The EL principles employed in the Bank is aligned to those employed at its ultimate holding company and enables the calculation of expected loss using PD estimates (facilitated by the CRRS), LGD and EAD.

(iii) *Maximum exposure to credit risk*

The Bank's maximum exposure to credit risk of on-balance sheet financial assets and off-balance sheet exposure exclude any collateral held or other credit enhancements. For on-balance sheet financial assets, the maximum exposure to credit risk equals their gross carrying amount at the end of the reporting period. For off-balance sheet items, the maximum exposure to credit risk is limited to the commitments to extend credit and other credit related commitments. The maximum credit exposure to client or counterparty as of 31 December 2023 was S\$38,253,511,000 and S\$9,800,334,000 (2022: S\$34,897,868,000 and S\$9,937,287,000) for on-balance sheet and off-balance sheet, respectively.

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality

Credit classification for financial assets

The four (4) risks categories as set out and defined below, from very low to high, apart from impaired, describe the credit quality of the Bank's lending. These classifications encompass a range of more granular, internal gradings assigned to loans and advances whilst external gradings are applied to debt securities. There is no direct correlation between the internal and external ratings at a granular level, except to the extent that each falls within a single credit quality band.

Risk Category (Non-Retail)	Probability of default ("PD") grade	External credit ratings based on S&P's ratings
Very low	1 - 5	AAA to A-
Low	6 - 10	BBB+ to BB+
Medium	11 - 15	BB+ to B+
High	16 - 21	B+ to CCC

Risk Category (Retail)	Probability of default ("PD") grade	External credit ratings based on S&P's ratings
Very low	1 - 2	AAA to BBB-
Low	3 - 5	BB+ to BB-
Medium	6 - 8	B+ to CCC
High	9 - 11	CCC to C

Risk category is as described below:

- **Very low:** Obligors rated in this category have an excellent capacity to meet financial commitments with very low credit risk.
- **Low:** Obligors rated in this category have a good capacity to meet financial commitments with low credit risk.
- **Medium:** Obligors rated in this category have a fairly acceptable capacity to meet financial commitments with moderate credit risk.
- **High:** Obligors rated in this category have uncertain capacity to meet financial commitments and are subject to high credit risk.
- **Unrated:** Obligors in this category have not been assigned with borrower risk ratings for various reasons e.g. non-availability of scorecards / unapproved scorecards.

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35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality (cont'd)

Credit classification for financial assets (cont'd)

The following table provides a breakdown of the net bills receivable and loans and advances to non-bank customers according to the Bank's credit risk category.

2023	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Very Low	13,688,429	42,974	-	13,731,403
Low	3,770,153	167,415	-	3,937,568
Medium	3,369,807	357,064	-	3,726,871
High	608,387	407,634	-	1,016,021
Unrated	2,430,406	15,035	-	2,445,441
Impaired	-	-	210,483	210,483
Less: ECL	(115,047)	(90,009)	(93,904)	(298,960)
Total carrying amount	23,752,135	900,113	116,579	24,768,827

2022	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Very Low	14,530,995	29,368	-	14,560,363
Low	3,525,518	99,611	-	3,625,129
Medium	2,713,885	223,715	-	2,937,600
High	525,890	248,821	-	774,711
Unrated	2,615,588	16,091	-	2,631,679
Impaired	-	-	104,059	104,059
Less: ECL	(131,655)	(72,181)	(61,751)	(265,587)
Total carrying amount	23,780,221	545,425	42,308	24,367,954

Derivative financial instruments are entered with various international financial institutions or companies. Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the statement of financial position. Derivative financial instruments include foreign exchange derivatives and interest rate derivatives 90% (2022: 89%) of derivative exposure is entered into with counterparties with a credit risk rating.

35. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(iv) *Credit quality (cont'd)*

Credit classification for financial assets (cont'd)

The Bank also classifies its credit portfolios according to the borrowers' ability to repay the credit facility from their normal source of income. There is an independent credit review process to ensure the appropriateness of loan grading and classification in accordance with MAS Notice 612. All borrowing accounts are categorised into 'Pass', 'Special Mention' or 'Impaired' categories. Impaired accounts are further categorised as 'Substandard', 'Doubtful' or 'Loss' in accordance with Notice to Bank No. 612 "Credit Files, Grading and Provisioning" issued by the MAS. The five categories are described below:

Performing

- Pass represents credit facilities where timely repayment is not in doubt and which do not exhibit any potential weakness in repayment capability, business, cash flow or financial position of the borrower.
- Special mention represents credit facilities which require closer monitoring. These facilities exhibit potential weakness that, if not corrected in a timely manner, may adversely affect repayment at a future date.

Classified or Impaired

- Substandard represents credit facilities that require special attention. The facilities exhibit definable weakness, either in respect of the business, cash flow or financial position of the borrower, which may jeopardise repayment on existing terms.
- Doubtful represents credit facilities that demonstrate severe weaknesses, such that the prospects of full recovery of the amounts outstanding are questionable and prospects of a loss are high.
- Loss represents credit facilities that are not collectable and little or nothing can be done to recover the amounts outstanding from any collateral or from the borrower's assets generally.

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality (cont'd)

Classified or Impaired (cont'd)

The following table provides a breakdown of the gross bills receivable and loans and advances to non-bank customers' gross carrying amount according to the MAS Notice to Bank No. 612 "Credit Files, Grading and Provisioning":

2023	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Performing				
Pass	23,867,182	894,655	-	24,761,837
Special Mention	-	95,467	-	95,467
Classified or Impaired				
Substandard	-	-	617	617
Doubtful	-	-	181,073	181,073
Loss	-	-	28,793	28,793
Total	23,867,182	990,122	210,483	25,067,787
2022	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Performing				
Pass	23,911,876	538,927	-	24,450,803
Special Mention	-	78,679	-	78,679
Classified or Impaired				
Substandard	-	-	3,996	3,996
Doubtful	-	-	61,569	61,569
Loss	-	-	38,494	38,494
Total	23,911,876	617,606	104,059	24,633,541

35. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(iv) *Credit quality (cont'd)*

Collaterals

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The Bank holds collaterals as follows:

- For loans and advances to non-bank customers and bill receivable in the form of mortgages or charges over properties, motor vehicles, listed securities, deposits, trade receivables, vessels and machinery.
- For reverse repurchase agreements in the form of Singapore and other government securities.

Estimates of the fair value are initially based on the value of collateral assessed at the time of borrowing and subsequently updated during the collateral valuation monitoring process (including credit reviews).

For financial assets that are credit impaired as at period end, the impairment loss considers the difference between the carrying value and the discounted cash flows. In determining discounted cash flows, the Bank would consider the repayment capacity of the borrower, including the realisation of collateral pledged with the Bank. As at 31 December 2023, the lower of fair value and carrying amount of collateral/other credit enhancements for financial assets that are credit impaired as at year end is S\$134,518,000 (2022: S\$21,677,000).

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality (cont'd)

Collaterals (cont'd)

The following table quantifies the extent to which collateral and other credit enhancements help to mitigate the credit risk of loans and advances to non-bank customers, bills receivable and receivables under resale agreement:

	Lower of fair value of collateral/other credit enhancements and carrying amount			
	2023		2022	
	Loans and advances to non-bank customers, bills receivable S\$'000	Receivables under resale agreement S\$'000	Loans and advances to non-bank customers, bills receivable S\$'000	Receivables under resale agreement S\$'000
Singapore and other government securities	-	4,912,298	-	1,840,222
Debts Securities		707,088	-	911,108
Properties	17,189,100	-	17,093,960	-
Vessels and other motor vehicles	3,072,756	-	2,802,924	-
Others	688,994	-	1,186,032	-
Total collateral	20,950,850	5,619,386	21,082,916	2,751,330
Maximum exposure to credit risk	25,067,787	5,653,687	24,633,541	2,767,012
Net exposure	4,116,937	34,301	3,550,625	15,682

S\$0.9 billion (2022: S\$1.3 billion) of the loans and advances to non-bank customers relate to the Temporary Bridging Loan which is under risk sharing with ESG.

The Bank generally does not occupy the premises repossessed for its business use.

35. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(iv) *Credit quality (cont'd)*

Write-off policy

The Bank writes off a loan or debt security balance, and any related allowances for impairment losses, when the management determines that the loan or securities is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's/issuer's financial position such that the borrower/issuer can no longer settle the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balance standardised loans, write-off decisions generally are based on a product specific past due status.

(v) *Concentration risk*

Specifically in the area of country or industry exposure, concentration of credit risk exists when changes in geographic or industry factors affect groups of counterparties whose aggregate credit exposure is significant in relation to the Bank's total credit exposures. The tables on the following page summarise the geographic and industry sector risk concentrations in relation to balances with significant credit exposures. Derivative assets are mainly due from banks and financial institution counterparties.

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration risk by geographic sector

Country	Government securities and treasury bills S\$'000	Other debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills Receivable and Loans and advances to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
As at 31 December 2023								
Singapore	3,600,181	220,280	7,533	24,238,645	9,053,588	266,278	37,386,505	95.9
India	-	-	-	2,852	694	-	3,546	0.0
Malaysia	-	-	-	162,660	157,119	57	319,836	0.8
China	-	-	-	412,168	49,516	-	461,684	1.2
Hong Kong	-	-	-	34,371	4,596	-	38,967	0.1
Others	142,504	40,598	97,365	217,091	268,415	71	766,044	2.0
	3,742,685	260,878	104,898	25,067,787	9,533,928	266,406	38,976,582	100.0

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration by industry sector

As at 31 December 2023	Government securities and treasury bills S\$'000	Other debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills receivable and Loans to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
Building and construction	-	-	-	1,207,284	463,743	116,788	1,787,815	4.6
Financial institutions	-	-	104,898	2,059,055	889,757	6,038	3,059,748	7.9
Manufacturing	-	-	-	596,429	239,605	19,148	855,182	2.2
Transport, storage and communication	-	-	-	637,262	160,425	7,488	805,175	2.1
Government and public sector	3,742,685	260,878	-	-	-	-	4,003,563	10.3
Housing and bridging loans	-	-	-	12,053,385	1,683,375	-	13,736,760	35.2
General commerce	-	-	-	1,978,936	1,143,262	89,005	3,211,203	8.2
Professional and private individuals	-	-	-	5,236,840	4,641,758	3,585	9,882,183	25.3
Others	-	-	-	1,298,596	312,003	24,354	1,634,953	4.2
	3,742,685	260,878	104,898	25,067,787	9,533,928	266,406	38,976,582	100.0

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration risk by geographic sector

Country	Government securities and treasury bills S\$'000	Other debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills Receivable and Loans and advances to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
As at 31 December 2022								
Singapore	2,287,927	199,020	-	23,740,064	9,145,213	236,930	35,609,154	95.3
India	-	-	-	2,382	445	-	2,827	0.0
Malaysia	-	-	-	180,745	178,629	77	359,451	1.0
China	-	-	-	427,804	55,589	-	483,393	1.3
Hong Kong	-	-	-	44,610	23,368	-	67,978	0.2
Others	133,596	-	169,946	237,936	297,016	20	838,514	2.2
	2,421,523	199,020	169,946	24,633,541	9,700,260	237,027	37,361,317	100.0

35. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration by industry sector

As at 31 December 2022	Government securities and treasury bills S\$'000	Other debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills receivable and Loans to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
Building and construction	-	-	-	1,015,481	436,277	72,720	1,524,478	4.0
Financial institutions	-	-	169,946	1,712,514	793,716	5,190	2,681,366	7.2
Manufacturing	-	-	-	599,979	237,544	14,426	851,949	2.3
Transport, storage and communication	-	-	-	453,800	164,074	8,684	626,558	1.7
Government and public sector	2,421,523	199,020	-	-	-	-	2,620,543	7.0
Housing and bridging loans	-	-	-	12,555,245	1,953,269	-	14,508,514	38.8
General commerce	-	-	-	1,914,616	1,104,243	111,589	3,130,448	8.4
Professional and private individuals	-	-	-	5,313,059	4,729,666	5,218	10,047,943	26.9
Others	-	-	-	1,068,847	281,471	19,200	1,369,518	3.7
	2,421,523	199,020	169,946	24,633,541	9,700,260	237,027	37,361,317	100.0

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk*

Liquidity risk arises when the Bank is unable to make a payment on any of its financial obligations to customers or counterparties in any currency when they come due. This may be due to the Bank's inability to liquidate assets or to obtain funding to meet its liquidity needs in a timely manner.

Liquidity risk can be broadly classified into:

- Funding liquidity risk - Risk that the Bank is not able to meet both expected and unexpected current and future cash flow and collateral needs effectively without affecting either daily operations or the financial condition of the Bank;
- Market liquidity risk - Risk that the Bank is not able to easily offset or eliminate the position at market price because of inadequate market depth or market disruption.

Liquidity risk can also arise as a consequence of other risk such as credit risk and reputation risk.

(i) *Management of liquidity risk*

ALCO oversees the Bank's liquidity risk management. The Global Market department centrally manages day-to-day funding and regulatory reserve requirements. In addition, the Non Traded Risk Management department functions as an independent unit responsible for reviewing policies and limits and monitoring liquidity risk.

The Bank's liquidity management objective is to ensure that there are sufficient funds to meet contractual and regulatory financial obligations when they are due. Liquidity risk is managed by a combination of cash flow monitoring, liquidity ratios and stress tests. Projected cash flow movements are closely monitored. Under the Bank's liquidity risk management framework, the Bank maintains liquid assets based on historical and future cash flow requirements and volatility. Liquidity ratios monitor and control the dependency on particular sources of funds and exposure to any particular group of depositors. Stress tests are conducted regularly to identify the Bank's vulnerability of cash flow and assess the Bank's capacity and resilience to withstand liquidity stress situations.

The Contingency Funding Plan ("CFP") addresses the possibility of prolonged liquidity disruption. The plan enables the Bank to respond swiftly and systematically to a liquidity crisis by covering critical areas such as the identification of crisis triggers, roles and responsibilities of different stakeholders, action plans for different scenarios, reporting requirements, and communication plans.

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*

(ii) *Exposure to liquidity risk*

The following tables show the undiscounted cash flows on the Bank's financial liabilities including issued financial guarantees and unrecognised loan commitments on the basis of their earliest possible contractual maturity. The Bank's expected cash flows on these instruments may vary significantly from this analysis. For example, demand deposits from customers may have a stable or increasing balance and unrecognised loan commitments are not all expected to be drawn down immediately.

Derivative financial instruments include those net settled derivative contracts in a net liability position, together with the pay leg of gross settled contracts regardless of whether the overall contract is in a marked-to-market gain or loss position. The receive leg is not shown in this table and as a result the derivative amounts in this table are inflated by their exclusion.

The Bank anticipates and manages liquidity gaps using behavioural assumptions. These assumptions are regularly reviewed by the Non Traded Risk Management department and approved by ALCO.

35. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

(iii) Residual contractual maturities of financial liabilities

As at 31 December 2023	Note	Carrying amount S\$'000	Gross nominal outflow S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 to 6 months S\$'000	6 months to 1 year S\$'000	1 year to 5 years S\$'000	After 5 years S\$'000
Financial liabilities									
Amounts due to central bank	24	57,098	57,212	-	28,105	29,107	-	-	-
Deposits of non-bank customers	25	35,244,521	35,892,092	14,265,772	4,018,137	5,145,714	9,494,056	2,939,041	29,372
Bills payable		130,649	130,649	130,649	-	-	-	-	-
Amounts due to related corporations		8,388	8,388	8,388	-	-	-	-	-
Other liabilities (including net settled derivatives)		53,543	9,068	694	6,891	12,755	(1,332)	(9,372)	(568)
Lease liabilities	22	57,717	57,717	-	100	1,041	6,693	24,841	25,042
Subordinated notes	28	504,916	620,276	-	9,225	-	9,326	74,051	527,674
Debt securities issued	29	639,385	639,385	157,625	363,249	118,511	-	-	-
		36,696,217	37,414,787	14,563,128	4,425,707	5,307,128	9,508,743	3,028,561	581,520
Undrawn loan commitments	33	9,533,928	9,533,928	6,425,515	357,790	276,847	389,208	112,305	1,972,264
Contingent liabilities	32	266,406	266,406	60,059	35,643	22,671	41,232	93,990	12,811
		9,800,334	9,800,334	6,485,574	393,433	299,518	430,440	206,295	1,985,075

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*(iii) *Residual contractual maturities of financial liabilities (cont'd)*

As at 31 December 2023	Gross nominal inflow/ (outflow) S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 months to 6 months S\$'000	6 months to 1 year S\$'000	After 1 year S\$'000	Total S\$'000
<i>Derivatives</i>							
Gross settled derivatives:							
Foreign exchange derivatives:							
- Inflow	2,765,175	1,534,309	791,863	309,227	129,776	-	2,765,175
- Outflow	(2,770,028)	(1,539,150)	(792,333)	(309,052)	(129,493)	-	(2,770,028)
Net inflow/(outflow)	(4,853)	(4,841)	(470)	175	283	-	(4,853)

Notes to the financial statements
For the financial year ended 31 December 2023

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*(iii) *Residual contractual maturities of financial liabilities (cont'd)*

As at 31 December 2022	Note	Carrying amount S\$'000	Gross nominal outflow S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 to 6 months S\$'000	6 months to 1 year S\$'000	1 year to 5 years S\$'000	After 5 years S\$'000
Financial liabilities									
Amounts due to central bank	24	409,365	410,184	11,834	-	301,058	40,137	57,155	-
Deposits of non-bank customers	25	30,451,469	31,042,479	13,051,165	2,260,276	3,245,587	8,789,342	3,696,109	-
Bills payable		99,241	99,241	99,241	-	-	-	-	-
Amounts due to related corporations		9,104	9,104	9,104	-	-	-	-	-
Other liabilities (including net settled derivatives)		79,838	50,011	(377)	(1,962)	(10,085)	18,674	43,761	-
Lease liabilities	22	39,550	39,550	-	6	1,531	458	24,664	12,891
Subordinated notes	28	504,916	638,776	-	9,174	-	9,326	74,051	546,225
Debt securities issued	29	808,472	808,472	223,093	283,204	302,175	-	-	-
		32,401,955	33,097,817	13,394,060	2,550,698	3,840,266	8,857,937	3,895,740	559,116
Undrawn loan commitments	33	9,700,260	9,700,260	6,103,273	256,515	355,956	416,748	336,479	2,231,289
Contingent liabilities	32	237,027	237,027	81,076	30,187	24,880	35,559	65,089	236
		9,937,287	9,937,287	6,184,349	286,702	380,836	452,307	401,568	2,231,525

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*(iii) *Residual contractual maturities of financial liabilities (cont'd)*

As at 31 December 2022	Gross nominal inflow/ (outflow) S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 months to 6 months S\$'000	6 months to 1 year S\$'000	After 1 year S\$'000	Total S\$'000
<i>Derivatives</i>							
Gross settled derivatives:							
<i>Foreign exchange derivatives:</i>							
- Inflow	1,403,301	713,530	385,832	90,369	190,544	23,026	1,403,301
- Outflow	(1,401,163)	(711,907)	(386,081)	(90,616)	(189,955)	(22,604)	(1,401,163)
Net inflow/(outflow)	2,138	1,623	(249)	(247)	589	422	2,138

Notes to the financial statements
For the financial year ended 31 December 2023

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*(iv) *Maturity analysis of non-derivative financial assets and liabilities*

As at 31 December 2023	Note	Up to 7 days S\$'000	Over 7 days to 1 month S\$'000	Over 1 to 3 months S\$'000	Over 3 to 12 months S\$'000	Over 1 to 3 year S\$'000	Over 3 years S\$'000	No specific maturity S\$'000	Total S\$'000
Assets									
Cash and balance with a central bank		1,148,184	-	-	-	-	-	-	1,148,184
Government securities and treasury bills	13	149,700	449,455	876,851	643,299	656,704	966,404	-	3,742,413
Other debt Securities	14	-	40,574	-	3,960	45,092	171,228	-	260,854
Balances and placements with and loans to banks		104,838	-	-	-	-	-	-	104,838
Amounts due from related corporations		1,580,886	4,609,546	1,516,045	300,525	914,467	-	-	8,921,469
Bills receivable	17	1,481	-	-	-	-	-	-	1,481
Loans and advances to non-bank customers	17	1,063,424	928,595	438,427	656,432	1,899,614	19,780,853	-	24,767,345
		4,048,513	6,028,170	2,831,323	1,604,216	3,515,877	20,918,485	-	38,946,584
Liabilities									
Amounts due to central bank	24	-	-	28,050	29,048	-	-	-	57,098
Deposits of non-bank customers	25	12,030,128	2,162,627	3,999,106	14,371,893	1,185,390	1,495,377	-	35,244,521
Amounts due to related corporations		8,388	-	-	-	-	-	-	8,388
Bills payable		130,649	-	-	-	-	-	-	130,649
Lease liabilities	22	-	-	100	7,734	8,191	41,692	-	57,717
Subordinated notes	28	-	-	-	-	-	504,916	-	504,916
Debt securities issued	29	-	162,730	360,587	116,068	-	-	-	639,385
		12,169,165	2,325,357	4,387,843	14,524,743	1,193,581	2,041,985	-	36,642,674

Notes to the financial statements
For the financial year ended 31 December 2023

35. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*(iv) *Maturity analysis of non-derivative financial assets and liabilities (cont'd)*

As at 31 December 2022	Note	Up to 7 days S\$'000	Over 7 days to 1 month S\$'000	Over 1 to 3 months S\$'000	Over 3 to 12 months S\$'000	Over 1 to 3 year S\$'000	Over 3 years S\$'000	No specific maturity S\$'000	Total S\$'000
Assets									
Cash and balance with a central bank		1,341,444	-	-	-	-	-	-	1,341,444
Government securities and treasury bills	13	99,715	234,091	166,211	147,040	587,417	1,187,017	-	2,421,491
Other debt Securities	14	-	-	-	-	41,603	157,410	-	199,013
Balances and placements with and loans to banks		169,888	-	-	-	-	-	-	169,888
Amounts due from related corporations		1,527,062	1,966,418	1,225,606	915,998	300,183	-	-	5,935,267
Bills receivable	17	8,554	4,422	-	-	-	-	-	12,976
Loans and advances to non-bank customers	17	892,156	1,030,003	421,437	462,627	1,961,535	19,587,220	-	24,354,978
		4,038,819	3,234,934	1,813,254	1,525,665	2,890,738	20,931,647	-	34,435,057
Liabilities									
Amounts due to central bank	24	-	11,811	-	340,513	57,041	-	-	409,365
Deposits of non-bank customers	25	11,870,153	1,058,922	2,253,681	11,837,903	2,245,054	1,185,756	-	30,451,469
Amounts due to related corporations		9,104	-	-	-	-	-	-	9,104
Bills payable		99,241	-	-	-	-	-	-	99,241
Lease liabilities	22	-	-	6	2,142	7,524	29,878	-	39,550
Subordinated notes	28	-	-	-	-	-	504,916	-	504,916
Debt securities issued	29	67,149	163,417	281,095	296,811	-	-	-	808,472
		12,045,647	1,234,150	2,534,782	12,477,369	2,309,619	1,720,550	-	32,322,117

35. Financial risk management objectives and policies (cont'd)

(d) Market risk

Market risk stems from changes in market prices, such as interest rates, equity prices, and currency exchanges rates that adversely affect income or position value. The Bank is primarily exposed to interest rate and currency risk based on the nature of its banking operations.

(i) Management of market risk

ALCO provides oversight of market risk for the Bank which mainly arises from the banking book. The Non Traded Risk Management department proposes and reviews policies and limits; and is responsible for monitoring of the Bank's market risk exposures from the Banking Book. Being the primary market risk-taking unit, the Global Market department manages the exposures and ensures that they are kept within limits.

One of the objective of market risk management is to keep market risk exposures under acceptable parameters while optimising returns. In order to achieve the control objective, risk measures are computed and checked against their respective limits defined based on the Bank's risk tolerance. Limit exceptions are escalated according to policy stipulations. These limits, along with the related policies and procedures, are regularly reviewed and approved at appropriate authority level.

Consistent with the Bank's policies, Bank-wide banking book interest rate risk is measured and controlled via earnings and economic value perspectives.

(ii) Exposure to interest rate risk

Interest rate risk is the exposure to interest rate movements arising from differences between the timing of rate changes against the Bank's cash flow positions. Interest rate risk can also stem from imperfect correlation of rate earned and paid on different instruments with similar re-pricing characteristics, changes in slope and shape of the yield curve, and embedded options in banking products. The main sources of interest rate risk are the Bank's loan and deposit portfolios. The Bank uses interest rate swaps as appropriate to ensure that exposures are within tolerable levels.

The Bank assesses its short term interest rate risk exposures in the banking book by using Earnings-at-Risk ("EaR") and long term interest rate risk exposures in the banking book by using Economic Value at Risk (EVaR). EaR measures the sensitivity of earnings, i.e., net interest income ("NII") to market interest rate movements and EVaR measures the sensitivity of economic value of Banking Book interest rate exposures to interest rate movements.

The Bank manages its portfolio of structured deposits designated at fair value through profit or loss together with the interest rate derivative instruments entered into with a related corporation.

35. Financial risk management objectives and policies (cont'd)

(d) *Market risk (cont'd)*(ii) *Exposure to interest rate risk (cont'd)*

As at 31 December 2023, an upward parallel shift in yield curve of 150 basis points for SGD and 200 basis points for USD, the two significant currencies that the Bank transact, would result in an increase of S\$122,978,000 on NII. A downward parallel shift would have a decrease of S\$131,303,000 on NII.

IBOR reform

LIBOR, SOR and SIBOR which have been widely used in the global financial markets, would be discontinued by end-2021 (non-USD LIBOR), Jun-2023 (USD LIBOR and SOR) and end-2024 (SIBOR) and be replaced by RFRs as part of the global reform of benchmark interest rate. The transition from LIBOR, SOR and SIBOR to RFRs will have significant impact on the bank arising from legal implications for existing derivatives and loan contracts referenced to LIBOR, adjustment to accounting and valuation approaches, and system recalibration and reconfiguration. The Bank's IBOR reform project is managed by a dedicated IBOR Transition Workgroup chaired by the Chief Risk Officer Singapore and comprise of members from relevant functions. The Workgroup is accountable to both the Singapore Executive Risk Committee and the Singapore Board for local governance, and to the Group IBOR Project Steering Committee ("PSC") for group governance.

The Bank has met all material industry and regulatory milestones to date, is on track to meet future timelines based on current progression, and does not anticipate any material compliance delay. The Bank is also monitoring the evolving global transition landscape for contingency adjustment, as well as proactive client engagement with up-to-date information and sufficient lead time to facilitate informed decision-making.

The following table shows the exposure that has yet to transit from IBOR to RFRs as at 31 December 2023:

2023	Non-derivatives	Non-derivatives	Derivatives
	Financial Assets - carrying value S\$'000	Financial Liabilities - carrying value S\$'000	Nominal Amount S\$'000
USD LIBOR	-	-	-
SGD SOR	-	-	-
SGD SIBOR	462,683	-	-

35. Financial risk management objectives and policies (cont'd)

(d) *Market risk (cont'd)*(ii) *Exposure to interest rate risk (cont'd)**IBOR reform (cont'd)*

2022	Non-derivatives Financial Assets - carrying value S\$'000	Non-derivatives Financial Liabilities - carrying value S\$'000	Derivatives Nominal Amount S\$'000
USD LIBOR	-	-	27,119
SGD SOR	80,000	-	917,328
SGD SIBOR	1,336,315	-	-

(iii) *Exposure to foreign currency risk*

Foreign currency risk arises from the movements in exchange rates that adversely affect the revaluation of Bank's foreign currency positions. The Bank's foreign exchange exposure is managed centrally by the Global Markets department, who deploys standard Foreign Exchange instruments like Forward Contracts and Cross-Currency Swaps to manage the Bank's foreign exchange risk.

The Bank monitors the foreign exchange exposures against approved trading and stop loss limits for every business day. Limit exceptions are escalated according to policy stipulated.

The following summarises the Bank's sensitivity to a 10% change in currency rates against S\$:

2023	Change in currency rate %	Impact to current year profit before tax S\$'000
USD	+/- 10	+/-2,758
GBP	+/- 10	+/-129
AUD	+/- 10	+/-208
HKD	+/- 10	-/+83
EUR	+/- 10	-/+68
CNY	+/- 10	+/-8
Others	+/- 10	+/-364

35. Financial risk management objectives and policies (cont'd)

(d) *Market risk (cont'd)*(iii) *Exposure to foreign currency risk (cont'd)*

2022	Change in currency rate %	Impact to current year profit before tax S\$'000
USD	+/- 10	+/-319
GBP	+/- 10	+/-110
AUD	+/- 10	-/+1
HKD	+/- 10	+/-4
EUR	+/- 10	+/-17
CNY	+/- 10	+/-3
Others	+/- 10	-/+32

Sensitivity is calculated using the net position in each currency, including off-balance sheet. This methodology does not consider option pay-offs as the Bank has a nominal open position in foreign exchange options. The largest net open position of the Bank as at 31 December 2023 is denominated in USD, with S\$ equivalent, S\$27,579,000 (2022: S\$3,191,000).

36. Fair value of assets and liabilities

Financial instruments comprise financial assets, financial liabilities and off-balance sheet derivative instruments. The fair value of a financial instrument is the amount for which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

Management judgement is exercised in the selection and application of appropriate parameters, assumptions and modelling techniques where some or all of the parameter inputs are not observable. Therefore, the fair value estimates are not necessarily indicative of the amounts that the Bank could have realised in a sales transaction as at the end of the reporting period.

36. Fair value of assets and liabilities (cont'd)

(a) *Fair value methodologies*

The bank uses the fair value hierarchy to estimate the fair value of financial instruments that are being fair valued.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

Valuation adjustment is also an integral part of the valuation process. The Bank makes valuation adjustments such as bid-ask spread adjustment and credit valuation adjustment to adjust mid-market valuations to the appropriate bid or offer valuation and to reflect the risk of counterparty default.

(b) *Financial Instruments carried at fair value*

2023	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets measured at fair value on a recurring basis				
Government securities and treasury bills	2,021,815	-	-	2,021,815
Other debt securities	98,196	-	-	98,196
Derivative financial instruments	-	26,278	-	26,278
	2,120,011	26,278	-	2,146,289
Financial liabilities measured at fair value on a recurring basis				
Financial liabilities designated at fair value through profit or loss	-	1,870,583	-	1,870,583
Derivative financial instruments	-	63,180	-	63,180
	-	1,933,763	-	1,933,763

There has been no transfer between Level 1 and Level 2 fair value measurement during the financial year ended 31 December 2023.

36. Fair value of assets and liabilities (cont'd)

(b) *Financial Instruments carried at fair value (cont'd)**Fair value hierarchy (cont'd)*

2022	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets measured at fair value on a recurring basis				
Government securities and treasury bills	2,170,390	-	-	2,170,390
Other debt securities	143,606	-	-	143,606
Derivative financial instruments	-	12,049	-	12,049
	2,313,996	12,049	-	2,326,045
Financial liabilities measured at fair value on a recurring basis				
Financial liabilities designated at fair value through profit or loss	-	1,958,029	-	1,958,029
Derivative financial instruments	-	86,468	-	86,468
	-	2,044,497	-	2,044,497

The tables above exclude financial assets and financial liabilities for which fair value approximates carrying amount.

Notes to the financial statements
For the financial year ended 31 December 2023

36. Fair value of assets and liabilities (cont'd)

(c) *Financial instruments classification*

The Bank's classification of its principal financial assets and liabilities is summarised in the table below:

2023	Financial assets at fair value			Financial assets at amortised cost S\$'000	Carrying amount S\$'000
	Held-for-trading S\$'000	Designated at fair value through profit or loss S\$'000	Other comprehensive Income (“FVOCI”) S\$'000		
Financial assets					
Cash and balances with central bank	-	-	-	1,148,184	1,148,184
Government securities and treasury bills	-	-	2,021,815	1,720,598	3,742,413
Other debt securities	-	-	98,196	162,658	260,854
Balances and placements with and loans to banks	-	-	-	104,838	104,838
Bills receivable	-	-	-	1,481	1,481
Loans and advances to non-bank customers	-	-	-	24,767,346	24,767,346
Amounts due from related corporations	-	-	-	8,921,468	8,921,468
Other assets	26,278	-	-	120,043	146,321
Total as at 31 December 2023	26,278	-	2,120,011	36,946,616	39,092,905

	Financial liabilities at fair value			
	Held-for-trading	Designated at fair value through profit or loss	Financial liabilities at amortised cost	Carrying amount
	S\$'000	S\$'000	S\$'000	S\$'000
2023				
<i>Financial liabilities</i>				
Amounts due to central bank	-	-	57,098	57,098
Deposits of non-bank customers	-	1,870,583	33,373,938	35,244,521
Bills payable	-	-	130,649	130,649
Amounts due to related corporations	-	-	8,388	8,388
Other liabilities	63,180	-	84,690	147,870
Lease liabilities	-	-	57,717	57,717
Subordinated notes	-	-	504,916	504,916
Debt securities issued	-	-	639,385	639,385
Total as at 31 December 2023	63,180	1,870,583	34,856,781	36,790,544

Notes to the financial statements
For the financial year ended 31 December 2023

36. Fair value of assets and liabilities (cont'd)

(c) *Financial instruments classification (cont'd)*

	Financial assets at fair value			Financial assets at amortised cost S\$'000	Carrying amount S\$'000
2022	Held-for-trading S\$'000	Designated at fair value through profit or loss S\$'000	Other comprehensive Income ("FVOCI") S\$'000		
Financial assets					
Cash and balances with central bank	-	-	-	1,341,444	1,341,444
Government securities and treasury bills	-	-	2,170,390	251,101	2,421,491
Other debt securities	-	-	143,606	55,407	199,013
Balances and placements with and loans to banks	-	-	-	169,888	169,888
Bills receivable	-	-	-	12,976	12,976
Loans and advances to non-bank customers	-	-	-	24,354,978	24,354,978
Amounts due from related corporations	-	-	-	5,935,267	5,935,267
Other assets	12,049	-	-	107,732	119,781
Total as at 31 December 2022	12,049	-	2,313,996	32,228,793	34,554,838
	Financial liabilities at fair value				
2022	Held-for-trading S\$'000	Designated at fair value through profit or loss S\$'000	Financial liabilities at amortised cost S\$'000	Carrying amount S\$'000	
Financial liabilities					
Amounts due to central bank	-	-	409,365	409,365	
Deposits of non-bank customers	-	1,958,029	28,493,440	30,451,469	
Bills payable	-	-	99,241	99,241	
Amounts due to related corporations	-	-	9,104	9,104	
Other liabilities	86,468	-	70,208	156,676	
Lease liabilities	-	-	39,550	39,550	
Subordinated notes	-	-	504,916	504,916	
Debt securities issued	-	-	808,472	808,472	
Total as at 31 December 2022	86,468	1,958,029	30,434,296	32,478,793	

Notes to the financial statements
For the financial year ended 31 December 2023

37. Non-current assets and liabilities

Non-current assets and liabilities of the Bank are set out below. Assets and liabilities other than those disclosed below are current:

	2023 S\$'000	2022 S\$'000
Liabilities		
Deposits of non-bank customers	2,680,767	3,430,810
Lease liabilities	49,882	37,555
Subordinated notes	504,916	504,916
Amounts due to central bank	-	57,041
	3,235,565	4,030,322
Assets		
Government securities and treasury bills	1,623,108	1,774,431
Other debt securities	216,320	199,013
Loans and advances to non-bank customers	21,680,467	21,548,756
Amount due from related corporations	914,467	300,183
Deferred tax assets	3,028	15,921
Intangible assets	73,659	74,894
Right-of-use assets	48,900	37,064
Property, plant and equipment	24,222	22,273
	24,584,171	23,972,535

38. Cash and cash equivalents

For the purposes of the statement of cash flows, cash equivalents are short-term liquid assets which are readily convertible into cash. Cash and cash equivalents comprise the following:

	2023 S\$'000	2022 S\$'000
Cash on hand and non-restricted balances with central bank	1,008,184	1,041,444
Balances and placements with and loans to banks maturing within 3 months	104,898	169,946
Money market balances with related corporations maturing within 3 months	7,714,700	4,720,701
Total cash and cash equivalents	8,827,782	5,932,091
Expected credit loss on cash and cash equivalents	(9,580)	(1,672)
	8,818,202	5,930,419

39. Capital management

The Bank's capital management strategy is based on guidelines set out in the Capital Management Framework, Capital Contingency Plan and Annual Capital Plan, all of which are formally approved by the Board. The capital requirements are mapped out on an annual basis via the Annual Capital Plan with the key objective to optimise and to maintain a strong capital position to meet the expectation of various stakeholders.

	2023 S\$'000	2022 S\$'000
Share capital	2,000,000	2,000,000
Retained earnings	320,636	230,258
	<u>2,320,636</u>	<u>2,230,258</u>

The Board maintains oversight of the regulatory capital of the Bank in line with regulatory requirements under the Monetary Authority of Singapore Notice to Banks No. 637 "*Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore*" and expectations of various stakeholders such as regulators. In accordance with 637, the Bank is required to comply with leverage ratio requirements based on its standalone capital strength, as well as minimum Common Equity Tier 1 Capital Adequacy Ratio ("CAR") of 6.5%, minimum Tier 1 CAR of 8% and total CAR of 10%.

The Bank has complied with all externally-imposed regulatory capital requirements as at the financial year-end.

40. Related party transactions

In the normal course of banking business, the Bank has carried out transactions with its related corporations on terms as agreed between the parties.

In addition to the related parties transactions disclosed elsewhere in the financial statements, the Bank had the following significant related party transactions, on terms agreed and determined by the parties:

Key management remuneration

The remuneration of key management personnel comprises short-term employee benefits of S\$8,220,000 (2022: S\$8,691,000), post-employment benefits of S\$266,000 (2022: S\$282,000).

There was S\$3,371,000 (2022: S\$1,405,000) of credit facilities provided to key management personnel as of 31 December 2023. These credit facilities are also made available to other employees of the Bank.

41. Operating segments

The Bank's business consists of the Community Financial Services for Singapore, which includes the retail, private wealth and SME banking businesses.

42. Reclassification and comparative figures

Certain reclassifications have been retrospectively made to the Bank's comparative figures for the previous financial year ended 31 December 2022 to enhance comparability with the current year's financial statements. This was made to ensure measurement of financial instruments are aligned and consistent across all external reporting.

As a result, certain line items have been amended in the Statement of Financial Position and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation. The Statement of Cash Flows was realigned due to changes in presentation in the Statement of Financial Position.

The Items were reclassified as follows:

	2022	
	Previously reported (S\$'000)	After reclassification (S\$'000)
Statement of Financial Position		
Assets		
Other assets	209,095	131,749
Liabilities		
Deposits of non-bank customers	30,525,900	30,451,469
Other liabilities	268,037	265,122
Note 20 Other assets		
Derivative financial instruments	89,395	12,049
Other assets	209,095	131,749
Note 25 Deposits of non-bank customers		
Financial liabilities at amortised cost	30,525,900	28,493,440
Financial liabilities designated at FVTPL	-	1,958,029
Note 26 Other liabilities		
Derivative financial instruments	89,383	86,468
Other liabilities	268,037	265,122

43. Authorisation of financial statements

The financial statements were authorised for issue by the Board of Directors on 14 February 2023.

Company Registration No. 201804195C

Maybank Singapore Limited

Annual Financial Statements
31 December 2022



Maybank Singapore Limited

General information

Directors

Datuk Karownikaran @ Karunakaran
Tan Sri Abdul Farid bin Alias (Resigned on 30 April 2022)
Dato' Khairussaleh bin Ramli (Appointed on 1 August 2022)
Anthony Brent Elam
Spencer Lee Tien Chye
Wong Heng Ning Kevin
Lee Yong Guan
Renato Tinio De Guzman

Company Secretary

Melissa Tham Lyn-Li

Registered Office

2 Battery Road
#01-01 Maybank Tower
Singapore 049907

Auditor

Ernst & Young LLP

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The directors are pleased to present their statement to the member of Maybank Singapore Limited (the "Bank") together with the audited financial statements of the Bank for the financial year ended 31 December 2022.

Opinion of the directors

In the opinion of the directors,

- (a) the accompanying statement of comprehensive income, statement of financial position, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Bank as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Bank for the financial year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

Directors

The directors of the Bank in office at the date of this statement are:

Datuk Karownikaran @ Karunakaran
Dato' Khairussaleh bin Ramli
Anthony Brent Elam
Spencer Lee Tien Chye
Wong Heng Ning Kevin
Lee Yong Guan
Renato Tinio De Guzman

Arrangements to enable directors to acquire shares or debentures

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

Malayan Banking Berhad ("Maybank") has implemented an employee's share scheme named as the Maybank Group Employees' Share Grant Plan ("ESGP") and the scheme was awarded to the participating Maybank Group who fulfill the eligibility criteria. The ESGP is governed by the ESGP By-Laws approved by the shareholders of the ultimate parent company, Maybank at an Extraordinary General Meeting held on 6 April 2017. The ESGP was implemented on 14 December 2018 and it is in force for a period of seven (7) years from the effective date and is administered by the ESGP Committee of Maybank. The ESGP consists of two (2) types of performance-based awards: Employees' Share Grant Plan ("ESGP Shares") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP"). The ESGP Shares may be settled by way of issuance and transfer of new Maybank shares or by cash at the absolute discretion of the ESGP Committee of Maybank.

Arrangements to enable directors to acquire shares or debentures (cont'd)

The number of ESGP Shares awarded is based on the assumption that the Maybank Group and the eligible employees have met average performance targets. The eligible employees are given thirty (30) days from the award date to accept the offer. The ESGP Shares under the ESGP may be granted over a five-year period and each grant will be vested based on a three-year cliff vesting schedule (i.e. vested at the end of three (3) years from the ESGP grant dates).

During the financial year, none of the directors of the Bank or their nominees held shares acquired pursuant to the ESGP except as disclosed in the next section of this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Bank for the purpose of section 164 of the Singapore Companies Act 1967 (the Act), none of the directors holding office at the end of the financial year had any interest in the shares in, or debentures of, the Bank or its related corporations, except as follows:

	Direct interest		Deemed interest	
	As at 1.1.2022 or date of appointment	As at 31.12.2022	As at 1.1.2022 or date of appointment	As at 31.12.2022
Malayan Banking Berhad				
(Ordinary shares)				
Spencer Lee Tien Chye	105,631	105,631	273,698 ¹	273,698 ¹
Renato Tinio De Guzman	-	-	14,646 ²	-

¹ 273,698 Ordinary shares held by his spouse

² 14,646 Ordinary shares held jointly with his spouse in the name of Citigroup Nominees (Asing) Sdn Bhd Exempt Authorised Nominees for Bank of Singapore Limited

Maybank Singapore Limited

Directors' statement

Share options

During the financial year, there were:

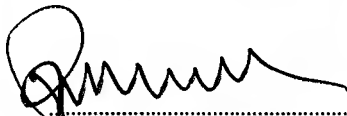
- (a) no share options granted by the Bank to any person to subscribe for unissued shares in the Bank; and
- (b) no shares issued by virtue of the exercise of options to take up unissued shares of the Bank.


As at the end of the financial year, there were no unissued shares of the Bank under option.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:


.....
Datuk Karownakaran @ Karunakaran
Chairman


.....
Dato' Khairussaleh bin Ramli
Director

Singapore
21 February 2023

Independent auditor's report to the Member of Maybank Singapore Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Singapore Limited (the "Bank"), pursuant to Section 373 of the Singapore Companies Act 1967 (the "Act"), which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in equity and cash flow statement of the Bank for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Bank as at 31 December 2022 and financial performance, changes in equity and cash flows of the Bank for the financial year ended on that date.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank 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.

Other information

Management is responsible for other information. The other information comprises the general information, directors' statement and supplementary information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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, 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.

Responsibilities of Management and Directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Bank'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 management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Bank's financial reporting process.

Auditor's 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 auditor's 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 control.
- Obtain an understanding of internal control 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Conclude on the appropriateness of management'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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Bank 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

21 February 2023

Maybank Singapore Limited

**Statement of comprehensive income
For the financial year ended 31 December 2022**

	Note	2022 S\$'000	2021 S\$'000
Interest income	4(a)	725,334	562,609
Interest expense	4(b)	(283,152)	(234,750)
Net interest income		442,182	327,859
Fee and commission income	5	209,948	243,066
Fee and commission expense	5	(35,145)	(30,753)
Net fee and commission income		174,803	212,313
Dealing profits and foreign exchange income	6	51,914	20,600
Other income	7	41,051	50,533
Total other items of income		92,965	71,133
Income before operating expenses		709,950	611,305
Staff and other remuneration	8	(281,872)	(263,834)
Other operating expenses	9	(180,518)	(171,998)
Operating profit before impairment		247,560	175,473
(Provision for)/write-back of impairment losses on financial assets	10	(73,617)	6,643
Profit before taxation		173,943	182,116
Taxation	11	(25,498)	(24,937)
Net profit after taxation		148,445	157,179
Profit for the year attributable to the owner		148,445	157,179
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Net change in fair value on debt securities at fair value through other comprehensive income ("FVOCI")		(115,370)	(62,154)
Net changes in allowance for expected credit losses ("ECL") of debt securities at FVOCI		53	(88)
Reclassification to profit or loss from sale/redemption of debt securities at FVOCI		2,268	(7,527)
Income tax relating to components of other comprehensive income	28	15,269	9,407
Other comprehensive income for the year, net of income tax		(97,780)	(60,362)
Total comprehensive income for the year		50,665	96,817
Total comprehensive income attributable to the owner		50,665	96,817

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Maybank Singapore Limited

**Statement of financial position
As at 31 December 2022**

	Note	2022 S\$'000	2021 S\$'000
Assets			
Cash and balances with central bank	12	1,341,444	1,089,990
Singapore government securities and treasury bills	13	2,287,895	4,107,134
Other government securities and treasury bills	14	133,596	82,276
Debt securities	15	199,013	157,652
Balances and placements with and loans to banks	17	169,888	161,854
Bills receivable	18	12,976	12,196
Loans and advances to non-bank customers	18	24,354,978	24,440,869
Amounts due from related corporations	20	5,935,267	5,332,759
Other assets	21	209,095	74,119
Deferred tax assets	28	15,921	-
Intangible assets	22	74,894	82,956
Right-of-use assets	23	39,219	46,372
Property and equipment	24	22,273	20,035
Total assets		34,796,459	35,608,212
Liabilities			
Amounts due to central bank	25	409,365	1,237,325
Deposits of non-bank customers	26	30,525,900	31,062,264
Bills payable		99,241	86,568
Amounts due to related corporations	20	9,104	6,233
Current income tax payable		30,681	35,721
Other liabilities	27	268,037	180,658
Lease liabilities	23	39,550	46,420
Deferred tax liabilities	28	-	4,968
Subordinated notes	29	504,916	505,018
Debt securities issued	30	808,472	372,509
Total liabilities		32,695,266	33,537,684
Equity attributable to the owner			
Share capital	31	2,000,000	2,000,000
Retained earnings		230,258	101,813
Fair value adjustment reserve		(129,065)	(31,285)
Total equity attributable to the owner		2,101,193	2,070,528
Total liabilities and equity attributable to the owner		34,796,459	35,608,212
Off-balance sheet items			
Contingent liabilities	33	237,027	212,474
Commitments	34	9,811,764	8,212,733
Financial derivatives (notional)	35	6,616,350	3,404,397
Total off-balance sheet items		16,665,141	11,829,604

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Maybank Singapore Limited

Statement of changes in equity
For the financial year ended 31 December 2022

	Share capital S\$'000	Retained earnings S\$'000	Fair value adjustment Reserve S\$'000	Total S\$'000
At 1 January 2021	2,000,000	4,634	29,077	2,033,711
Profit for the year	-	157,179	-	157,179
Other comprehensive income:				
Net change in fair value of debt securities at FVOCI	-	-	(62,154)	(62,154)
Net changes in allowance for expected credit losses of debt securities at FVOCI	-	-	(88)	(88)
Reclassification to profit or loss	-	-	(7,527)	(7,527)
Income tax relating to components of other comprehensive income	-	-	9,407	9,407
Total comprehensive income for the year	-	157,179	(60,362)	96,817
Dividend paid	-	(60,000)	-	(60,000)
At end of financial year	2,000,000	101,813	(31,285)	2,070,528
At 1 January 2022	2,000,000	101,813	(31,285)	2,070,528
Profit for the year	-	148,445	-	148,445
Other comprehensive income:				
Net change in fair value of debt securities at FVOCI	-	-	(115,370)	(115,370)
Net changes in allowance for expected credit losses of debt securities at FVOCI	-	-	53	53
Reclassification to profit or loss	-	-	2,268	2,268
Income tax relating to components of other comprehensive income	-	-	15,269	15,269
Total comprehensive income for the year	-	148,445	(97,780)	50,665
Dividend paid	-	(20,000)	-	(20,000)
At end of financial year	2,000,000	230,258	(129,065)	2,101,193

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Maybank Singapore Limited

Cash flow statement

For the financial year ended 31 December 2022

	Note	2022 S\$'000	2021 S\$'000
Cash flows from operating activities			
Profit before taxation		173,943	182,116
Adjustments for:			
Depreciation and amortisation	9	48,101	46,864
Finance cost	23	796	1,060
Gain on termination of leases		(113)	(72)
Property and equipment and intangible assets written off	9	7	5,137
Provision for impairment loss for contingent liabilities, bills receivable and loans and advances to non-bank customers	10	79,986	5,693
Provision for/(write-back of) impairment loss for FVOCI debt securities	10	53	(87)
Provision for impairment loss for debt securities at amortised cost	10	39	-
Provision for impairment loss for balances and placements with and loans to banks	10	21	5
Provision for/(write-back of) impairment loss for receivables under resale agreements	10	689	(1,160)
Income tax expense		-	7,219
Operating profit before changes in operating assets and liabilities		303,522	246,775
(Increase)/decrease in operating assets:			
Bills receivable		(780)	(3,317)
Loans and advances to non-bank customers		6,271	(1,952,077)
Other assets		(134,976)	38,684
Amounts due from a related corporation		(5,191)	(9,600)
Restricted balances with central bank		706,817	57,981
		572,141	(1,868,329)
(Decrease)/increase in operating liabilities:			
Amounts due to central bank		(827,959)	281,219
Deposits of non-bank customers		(536,364)	(3,603,441)
Bills payable		12,673	8,168
Other liabilities		87,013	(64,992)
Amounts due to related corporations		2,871	(150,516)
		(1,261,766)	(3,529,562)
Finance cost paid		(796)	(1,060)
Income taxes paid		(36,158)	(12,139)
Net cash flows generated used in operating activities		(423,057)	(5,164,315)

Maybank Singapore Limited

**Cash flow statement
For the financial year ended 31 December 2022**

	Note	2022 S\$'000	2021 S\$'000
Net cash flows from investing activities			
Proceeds from Singapore government securities and treasury bills		1,730,678	1,430,685
Purchase of other government securities and treasury bills		(71,007)	(82,197)
(Purchase of)/proceeds from debt securities		(46,252)	82,449
Purchase of property and equipment and intangible assets	22, 24	(28,072)	(20,680)
Net cash flows generated from investing activities		1,585,347	1,410,257
Cash flows from financing activities			
Payment of principal portion of lease liabilities	23	(13,817)	(13,318)
Change in subordinated notes (non-cash)*	29	(102)	(51)
Issuance of debt securities	30	2,367,076	1,209,065
Repayment of debt securities	30	(1,921,296)	(836,390)
Change in debt securities (non-cash)*	30	(9,817)	(166)
Dividend paid	32	(20,000)	(60,000)
Net cash flows generated from financing activities		402,044	299,140
Net increase/(decrease) in cash and cash equivalents for the year		1,564,334	(3,454,918)
Cash and cash equivalents at beginning of year		4,367,757	7,822,675
Cash and cash equivalents at end of year	39	5,932,091	4,367,757

* Refers to the accrued interest and foreign exchange movement.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Maybank Singapore Limited (the “Bank”), incorporated in Singapore on 1 February 2018, has its registered office at 2 Battery Road, #01-01 Maybank Tower, Singapore 049907.

The immediate holding company is Cepak Mentari Berhad (“CMB”), which in turn is a directly wholly-owned subsidiary of Malayan Banking Berhad (ultimate holding company).

The Monetary Authority of Singapore (“MAS”) had on 3 October 2018 issued a full banking licence with Qualifying Full Bank privileges to the Bank.

The Bank offers banking services to retail, private wealth and small and medium-sized enterprises.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Bank have been prepared in accordance with Singapore Financial Reporting Standards (“FRSs”) as required by the Singapore Companies Act, 1967 (the “Act”).

The financial statements of the Bank, expressed in Singapore dollars (“SGD” or “S\$”), are prepared in accordance with the historical cost convention, except as otherwise disclosed in the accounting policies below. All information presented has been rounded to the nearest thousand (“S\$’000”), unless otherwise stated.

The preparation of financial statements in conformity with FRS requires management 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 underlying assumptions 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. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 3.

2. Summary of significant accounting policies (cont'd)

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Bank has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2022.

2.3 *Standards issued but not yet effective*

The Bank has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
FRS 117 <i>Insurance Contracts</i>	1 January 2023
Amendments to FRS 1 <i>Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to FRS 8 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to FRS 1 and FRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to FRS 12 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

The Bank is assessing the implications and financial impact on the financial statements upon application of the standards above.

2. Summary of significant accounting policies (cont'd)

2.4 *Income and expense recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured as the fair value of consideration received or receivable excluding discounts, rebates and sales taxes or duties. The Bank assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must also be met before revenue is recognised:

Interest income and expense are recognised in profit or loss using the effective interest rate method. Interest on impaired financial assets is recognised at the original effective interest rate of the financial asset applied to the carrying amount as reduced by any allowance for impairment. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The Bank does not purchase or originate credit impaired ("POCI") financial assets.

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Fee income relating to loan facilities, trade finance facilities and guarantees, where they are charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature, is recognised on an effective interest rate basis or on a straight line basis where applicable over the relevant period.

Other fees and commission income are recognised as the related services are performed.

Other fee and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

Dealing profits and foreign exchange income comprise trading gains/loss(net) on the financial derivatives designated at fair value through profit or loss, and include all realised and unrealised fair value changes and foreign exchange differences and sales margin received from related corporation.

Other income relate mainly to service fee income charged, which are recognised over the period in which the services are provided.

2.5 *Financial instruments - Date of recognition*

All regular way purchases and sales of financial assets are recognised or derecognised on the settlement date i.e., the date that an asset is delivered to or by an entity. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

2. Summary of significant accounting policies (cont'd)

2.6 *Financial instruments - Initial recognition and measurement*

All financial assets and financial liabilities are measured initially at their fair value plus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The Bank classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics, measured at either:

- (a) Amortised cost;
- (b) Fair value through other comprehensive income ("FVOCI"); or
- (c) Fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost or at FVTPL. FVTPL measurement is used when financial liabilities are held for trading, are derivative instruments or where fair value designation is applied.

- (a) *Cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost*

The Bank measures cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

2. Summary of significant accounting policies (cont'd)

2.6 *Financial instruments - Initial recognition and measurement (cont'd)*

- (a) *Cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost (cont'd)*

Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the bank's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Bank's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporate such information when assessing newly originated or newly purchased financial assets going forward.

2. Summary of significant accounting policies (cont'd)

2.6 Financial instruments - Initial recognition and measurement (cont'd)

- (a) *Cash and balances with central bank, balances and placements with and loans to banks, bills receivable, loans and advances to non-bank customers and amounts due from related corporations at amortised cost (cont'd)*

The SPPI test

As a second step of its classification process the Bank assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

- (b) *Debt securities at FVOCI*

Debt securities are measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt securities are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income ("OCI"). Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. The ECL calculation for debt securities at FVOCI is explained in Note 2.11(a). Where the Bank holds more than one investment in the same security, they are deemed to be disposed off on a first-in first-out basis. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

2. Summary of significant accounting policies (cont'd)

2.6 *Financial instruments - Initial recognition and measurement (cont'd)*

(c) *Contingent liabilities and loan commitments*

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially recognised at their fair values, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in 2.11 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements.

The nominal contractual value of financial guarantees, shipping guarantees, letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position.

The nominal values of these instruments together with the corresponding ECL are disclosed in Notes 18 and 33.

2.7 *Reclassification of financial assets and liabilities*

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Bank acquires, disposes of, or terminates a business line.

Financial liabilities are never reclassified. The Bank did not reclassify any of its financial assets or liabilities in the period.

2. Summary of significant accounting policies (cont'd)

2.8 *Derecognition of financial assets and liabilities*

(a) *Derecognition due to substantial modification of terms and conditions*

The Bank derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be purchased or originated credit impaired financial assets ("POCI").

When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers the following factors:

- Change in currency of the loan.
- Introduction of an equity feature.
- Change in counterparty.
- If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original Effective Interest Rate ("EIR"), the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

(b) *Derecognition other than for substantial modification*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

In the context of IBOR reform, the Bank's assessment of whether a change to an amortised cost financial instrument is substantial, is made after applying the practical expedient introduced by IBOR reform phase 2. This requires the transition from an IBOR to an RFR to be treated as a change to a floating interest rate.

2. Summary of significant accounting policies (cont'd)

2.9 Fair value

Fair value is the amount which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. Fair value of financial instruments is based on their quoted price in an active market (including recent market transactions) at the end of the reporting period without any deduction for transaction cost. If a quoted market price is not available, the fair value of the instrument is estimated using valuation techniques. Valuation techniques include the use of recent arm's length prices, pricing models or discounted cash flow techniques.

The best evidence of fair value of a financial instrument at initial recognition is the transaction price unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique which variables include only data from observable markets.

For subsequent measurement of financial assets or financial liabilities at fair value through profit or loss, the Bank values such assets/liabilities using quoted market prices or dealer price quotations for financial instruments traded in active markets without any deduction for transaction cost.

2.10 Derivative financial instruments

Derivative financial instruments arise from forward, swap and option transactions undertaken by the Bank in the foreign exchange and interest rate derivative markets.

Derivative financial instruments are recognised initially at fair value on the date that the derivatives are entered into. Subsequent to initial recognition, the derivative financial instruments are re-measured at fair value. The gain or loss on re-measurement at fair value is recognised immediately in profit or loss.

Certain derivatives embedded in other derivatives are treated as separate derivatives when their economic characteristics and risk are not closely related to those of the host contract and the host contract is not carried at fair value.

Assets, including gains, resulting from derivatives financial instruments which are marked-to-market are included in "Other Assets" arising from derivative financial instruments. Liabilities, including losses, resulting from such contracts are included in "Other Liabilities" arising from derivative financial instruments.

2. Summary of significant accounting policies (cont'd)

2.11 Impairment

(a) Financial assets

The Bank records the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and contingent liabilities, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under FRS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or "LTECL"), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss ("12mECL").

The 12mECL is the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank groups its financial instruments into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When financial instruments are first recognised, the Bank recognises an allowance based on 12mECL. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast exposure at default ("EAD") and multiplied by the expected Loss Given default ("LGD") and discounted by an approximation to the original EIR. Stage 1 also include facilities where the credit risk has improved and have been reclassified from Stage 2.

Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL, with probability of default ("PD") and LGDs are estimated over the lifetime of the financial instrument and discounted by an approximation to the original EIR. Stage 2 loans also include facilities, where the credit risk has improved and have been reclassified from Stage 3.

Stage 3: Financial instruments are considered credit-impaired, and the Bank recognises the lifetime expected credit losses for these loans, with the PD set at 100%.

There are three main components to measure ECL which are the PD model, the LGD model and the EAD model. The models are to leverage as much as possible existing Basel II models and perform the required adjustments to produce a FRS 109 compliant model.

2. Summary of significant accounting policies (cont'd)

2.11 *Impairment (cont'd)*

(a) *Financial assets (cont'd)*

Expected credit losses are the unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions. The reasonable and supportable forward-looking information is based on research provided by the Bank's related corporation, Maybank IBG Research. In addition, Maybank IBG Research's research assumptions and analysis are also based on the collation of macroeconomic data obtained from various sources such as, but not limited to regulators, government and foreign ministries as well as independent research organisations. Where applicable, the Bank incorporates forward-looking adjustments in credit risk factors of PD and LGD used in ECL calculation; taking into account the impact of multiple probability-weighted future forecast economic scenarios.

Embedded in ECL is a broad range of forward-looking information as economic inputs, such as:

- Gross Domestic Product ("GDP") growth
- Unemployment rates
- 3M SIBOR
- Property Price Index

The Bank applies the following alternative macro-economic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL:

- Base scenario: This scenario reflects that current macro-economic conditions continue to prevail; and
- Upside and Downside scenarios: These scenarios are set relative to the base scenario; reflecting best and worst-case macro-economic conditions based on subject matter expert's best judgment from current economic conditions.

Lifetime expected credit losses must be measured over the expected life. This is restricted to the maximum contractual life and takes into account expected prepayment, extension, call and similar options, except for certain revolver financial instruments such as credit cards and overdrafts. The expected life for these revolver facilities generally refers to their behavioural life.

For credit-impaired financial assets deemed individually significant, the Bank assesses ECL on individual borrower basis, and performs collective assessment for other financial assets as per Bank's policy.

The ECL for debt securities measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

2. Summary of significant accounting policies (cont'd)

2.11 Impairment (cont'd)

(b) Collateral valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. However, the fair value of collateral affects the calculation of ECL. It is generally assessed, at a minimum, at inception and re-assessed on an annual basis. Details of the impact of the Bank's various collaterals are disclosed in Note 36(b)(iv).

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collaterals are valued based on data provided by internal valuers and independent third party valuers.

(c) Collateral repossessed

The Bank's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Bank's policy.

In its normal course of business, the Bank does not physically repossess collaterals in its retail and corporate portfolio, but engages external agents for the sale of collaterals to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, collaterals under legal repossession processes are not recorded on the balance sheet.

(d) Write-offs

Financial assets are written off either partially or in their entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

2. Summary of significant accounting policies (cont'd)

2.11 *Impairment (cont'd)*

(e) *Non-financial assets*

The carrying amounts of the Bank's non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit 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.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. An impairment loss is recognised in profit or loss unless it reverses a previous revaluation.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indication 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.

2.12 *Deposits of non-bank customers*

These deposits comprise current, time, savings and other deposits from retail and wholesale activities. Recognition occurs upon the establishment of contractual obligations.

2.13 *Bills receivable and payable*

Bills receivable and bills payable are classified as financial assets at amortised cost and financial liabilities at amortised cost, respectively.

2. Summary of significant accounting policies (cont'd)

2.14 *Singapore and other government securities and treasury bills*

Singapore and other government securities and treasury bills are debt securities held for dealing and non-dealing purposes. They are classified as either AC or FVTPL or FVOCI, depending on the objective of holding the securities.

2.15 *Debt securities*

Debt securities are held for dealing and non-dealing purposes. They are classified as either AC or FVTPL or FVOCI, depending on the objective of holding the securities.

2.16 *Loans and advances to non-bank customers*

Loans and advances to non-bank customers are stated at amortised cost net of impairment losses.

2.17 *Property and equipment*

All items of property and equipment are initially recorded at cost. Subsequent to recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

On disposal of an item of property and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Depreciation is provided on a straight line basis so as to write-off items of property and equipment over their estimated useful lives as follows:

Renovation	- 5 years or lease terms
Office equipment, furniture and fittings	- 5 years
Computer and electrical equipment	- 4 to 10 years
Motor vehicles	- 5 years

Construction-in-progress, representing renovation-in-progress are stated at cost. This includes acquisition cost, materials, direct labour and other directly related expenses. Construction-in-progress is not depreciated until such time as the relevant asset is completed and ready for operational use.

Depreciation methods, useful lives and residual values if not insignificant, are reassessed annually.

2. Summary of significant accounting policies (cont'd)

2.18 *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation and impairment losses. All software development costs in excess of S\$5,000 are capitalised as intangible asset when the Bank can demonstrate the technical feasibility of completing the intangible asset so that it will be available-for-use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development. Amortisation is charged to profit or loss using a straight-line method over their useful lives not exceeding 10 years. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense is recognised in the statement of comprehensive income.

2.19 *Leases*

(a) *Right-of-use assets*

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease term includes periods covered by an option to extend if the Bank is reasonably certain to exercise that option. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are subject to impairment assessment in line with the Bank's policy as described in Note 2.11(e).

2. Summary of significant accounting policies (cont'd)

2.19 *Leases (cont'd)*

(b) *Lease liabilities*

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating a lease, if the lease term reflects Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Bank uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(c) *Short-term leases and leases of low-value assets*

The Bank applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2. Summary of significant accounting policies (cont'd)

2.20 Taxes

Income tax expense comprises current income tax and deferred tax. Current income tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set-off current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current income tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credit and deductible temporary differences, to the extent that is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.21 Foreign currencies

The functional currency represents the currency in which transactions are predominantly denominated in the respective books and reflects the economic substance of the underlying events and circumstances relevant to the books.

The Bank adopts SGD as its functional currency. Monetary assets and liabilities denominated in currencies other than SGD are translated into SGD at rates of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions. Transactions in foreign currencies during the period are converted at rates of exchange ruling on transaction dates. Exchange differences are dealt with through profit or loss.

2. Summary of significant accounting policies (cont'd)

2.22 *Repurchase and resale agreements*

The Bank enters into purchases (sales) of investments under agreements to resell (repurchase) substantially identical investments at a certain date in the future at a fixed price.

Securities purchased under resale agreements are securities which the Bank purchase with a commitment to resell at future dates. The commitments to resell the securities are reflected as assets on the statements of financial position and are classified at amortised cost. The difference between the purchase and resale prices is recognised in the income statements and is accrued over the life of the agreement using the effective interest method.

Conversely, obligations on securities sold under repurchase agreements are securities which the Bank sells from its portfolio, with a commitment to repurchase at future dates. Such financing transactions and corresponding obligations to purchase the securities are reflected as liabilities on the statements of financial position. Repurchase agreements are classified at amortised cost. The difference between the sale and the repurchase prices is recognised in the income statements and is accrued over the life of the agreement using the effective interest method.

2.23 *Provisions*

A provision is recognised in the statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect is material, 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, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.24 *Cash and cash equivalents*

Cash and cash equivalents consist of cash on hand, non-restricted balances with central banks, balances and placements with and loans to banks and nostro and money market deposits with related corporations, which are payable on demand or within 3 months. Cash and bank balances with Central Bank includes amounts held for regulatory liquidity reserves.

2.25 *Employee benefits*

(a) *Defined contribution plans*

Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss as incurred.

2. Summary of significant accounting policies (cont'd)

2.25 Employee benefits (cont'd)

(b) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expenses as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.26 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity.

2.27 Dividend

Dividends declared on ordinary shares are recognised as a liability and deducted from equity in the period in which all relevant approvals have been obtained.

2.28 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Bank if that person:

- (i) Has control or joint control over the Bank;
- (ii) Has significant influence over the Bank; or
- (iii) Is a member of the key management personnel of the Bank or of a parent of the Bank.

(b) An entity is related to the Bank if any of the following conditions applies:

- (i) The entity and the Bank are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Bank or an entity related to the Bank. If the Bank is itself such a plan, the sponsoring employers are also related to the Bank;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Bank or to the parent of the Bank.

2. Summary of significant accounting policies (cont'd)

2.29 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in profit or loss on a systematic basis over the periods in which the bank recognises as expenses the related costs for which the grant is intended to compensate. Where grant becomes receivable for expenses already incurred, the grant that becomes receivable shall be recognised in the period in which it becomes receivable. When the grant relates to an asset, the grant is deducted against the cost of the asset in arriving at the carrying amount of the asset.

2.30 Islamic banking activities

Islamic Banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles. In the context of the information presented in this document that apply to Islamic banking activities, each reference to conventional terms shall be construed to mean its corresponding Islamic equivalent as indicated below:

No.	Conventional	Islamic
1	Lender	Financier / Bank
2	Lending	Financing
3	Borrower	Customer
4	Borrowing	Financing
5	Repayment	Payment
6	Loan	Financing
7	Borrow	Finance
8	Interest (other than references to Directors' interests)	Profits / Dividend / Hibah

3. Significant accounting estimates and judgements

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments made in applying accounting policies

In the process of applying the Bank's accounting policies, the Bank's management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements. These are as follows:

(a) *Fair value of derivative financial instruments*

Quoted market prices or dealer quotes are obtained for derivative financial instruments traded in an active market. Fair value of derivative financial instruments not traded in an active market is determined by using valuation techniques. The Bank uses a variety of methods and makes assumptions based on market conditions existed at the end of each reporting period. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining derivative financial instruments not traded in an active market (refer to Note 37).

(b) *Taxes*

Significant judgement is required in estimating the provision for income tax. There are many transactions and interpretations of tax law for which the outcome will not be established until sometime later. Liabilities for taxation are recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice on the tax treatments where appropriate. Where the final liability for taxation is different from the amounts that were initially recorded, the differences will affect the income tax and deferred tax provisions in the period in which the estimate is revised or the final liability is established.

This assessment relies on estimates and assumptions and may involve judgments about future events. New information may become available that causes the Bank to change its judgment regarding the adequacy of existing tax liabilities, such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

3. Significant accounting estimates and judgements (cont'd)

Judgments made in applying accounting policies (cont'd)

(c) *Lease Term of Contracts with Renewal Options*

The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Bank has the option, under some of its leases to lease the assets for additional terms of two to five years. The Bank applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Bank reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). The Bank includes the renewal period as part of the lease term for leases of premises due to the significance of these assets to its operations.

3. Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

(a) *Impairment loss of bills receivable and loans and advances to non-bank customers*

The Bank reviews individually significant bills receivable and loans and advances at each reporting date to assess whether an impairment loss should be recorded in the income statements. In particular, management's judgement is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, the Bank makes judgements about the borrower's or the customer's financial situation and the net realisable value of collateral. These estimates are based on assumptions on a number of factors and actual results may differ, resulting in future changes to the allowances.

The Bank's ECL calculations under FRS 109 are outputs of models developed by the Group Model Development Team with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- (i) Internal credit grading model, which assigns PDs to the individual grades.
- (ii) Criteria for assessing if there has been a significant increase in credit risk so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.
- (iii) The segmentation of financial assets when their ECL is assessed on a collective basis.
- (iv) Various formulas and the choice of inputs used for the development of ECL models.
- (v) Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- (vi) Inputs derived based on Basel model data for calibration into the ECL models
- (vii) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

The above methodology is consistent with Malayan Banking Berhad group accounting policy.

The carrying amount of the Bank's bills receivable and loans and advances to non-bank customers at the end of the reporting period is disclosed in Note 18 to the financial statements.

3. Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

- (a) *Impairment loss of bills receivable and loans and advances to non-bank customers (cont'd)*

Management overlays and model adjustments

The Bank assessed adjustments to address certain model limitations. Overlays assessment was made based on the methodology developed by the Group Model Development Team and the ECL impact arising from the model limitations are approved by the Bank.

- (b) *Impairment of debt securities*

In carrying out the impairment review, the following judgements are required:

- (i) Determination whether the investment is impaired based on certain indicators such as, amongst others, difficulties of the issuers or obligors, deterioration of the credit quality of the issuers or obligors; and
- (ii) Determination of ECL that reflect:
- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
 - The time value of money; and
 - Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

- (c) *Leases - Estimating the incremental borrowing rate*

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to right-of-use asset in a similar economic environment. The IBR therefore reflects what the Bank 'would have to pay', which requires an estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Bank estimates the IBR using observable inputs (such as market interest rates) when available and is required to make entity-specific estimates.

4(a). Interest income

Interest income comprises interest arising from various types of lending and investment activities.

The breakdown of interest income is as follows:

	2022 S\$'000	2021 S\$'000
Related corporations	91,306	25,964
Islamic banking activities (profit-based) *	57,795	57,818
Loans and borrowings	576,233	478,827
	<u>725,334</u>	<u>562,609</u>

Interest income includes income received from balances from related corporations (Note 20) of S\$44,235,000 (2021: S\$12,227,000) and income from reverse repo agreements with a related corporation (Note 16) of S\$47,070,000 (2021: S\$13,737,000).

* Refers to profit income arising from Islamic financing activities.

Interest income derived from each class of financial instruments were as follows:

	2022 S\$'000	2021 S\$'000
Financial assets at FVOCI	41,814	27,061
Financial assets at amortised cost	683,520	535,548
	<u>725,334</u>	<u>562,609</u>

Interest income derived from financial assets at amortised cost is calculated using the effective interest rate method. Included in interest income from others is interest income of S\$7,456,000 (2021: S\$9,460,000) from impaired loans to customers.

Notes to the financial statements
For the financial year ended 31 December 2022

4(b). Interest expense

Interest expense comprises all interest incurred on deposits and borrowings from financial institutions and non-bank customers.

The breakdown of interest expense is as follows:

	2022 S\$'000	2021 S\$'000
Related corporations	18,878	18,567
Islamic banking activities *	17,549	19,339
Others	246,725	196,844
	283,152	234,750

Interest expense includes expense to the related corporations of S\$18,399,000 (2021: S\$18,449,000) from S\$500,000,000 subordinated notes subscribed by a related corporation (Note 29).

* Refers to profit/dividend/hibah expense arising from Islamic deposits activities.

Included in others is interest expense of S\$909,000 (2021: S\$1,114,000) from MAS SGD facility for ESG loan funding and S\$13,581,000 (2021: S\$659,000) on interest on debt securities issued.

Interest expense derived from each class of financial instruments were as follows:

	2022 S\$'000	2021 S\$'000
Financial liabilities at amortised cost	283,152	234,750

5. Fee and commission income and expense

Fee and commission income mainly comprises mainly remittance and credit card commissions, trade financing and credit-related fees and wealth management fees.

Fee and commission expense mainly comprises card and network-related charges, brokerage fees and safe custody fees.

	2022 S\$'000	2021 S\$'000
Fee and commission income:		
A related corporation	29,065	32,223
Islamic banking activities	7,433	7,881
Others	173,450	202,962
	209,948	243,066

Notes to the financial statements
For the financial year ended 31 December 2022

5. Fee and commission income and expense (cont'd)

	2022 S\$'000	2021 S\$'000
Fee and commission expense:		
A related corporation	75	82
Islamic banking activities	619	393
Others	34,451	30,278
	35,145	30,753

6. Dealing profits and foreign exchange income

	2022 S\$'000	2021 S\$'000
Financial assets at FVTPL:		
- Foreign exchange derivatives	615	1,700
- Securities transaction	1	1
- Futures	-	86
- Interest rate derivatives	817	522
	1,433	2,309
Gains from foreign exchange contracts and spot asset revaluation	15,066	16,066
Sales margin received from related corporation	35,415	2,225
	51,914	20,600

Notes to the financial statements
For the financial year ended 31 December 2022

7. Other income

	2022 S\$'000	2021 S\$'000
Government grants	1,860	5,097
(Loss)/gain on sale of FVOCI Singapore government securities	(2,268)	4,893
Gain on sale of FVOCI debt securities	-	2,634
Service fee income charged to related corporations	41,366	37,832
Others	93	77
	<u>41,051</u>	<u>50,533</u>

Service fee income charged to related corporations included overhead expenses charged under service level agreements. Transfer prices between related corporations are on an arm's length basis in a manner similar to transactions with third parties.

8. Staff and other remuneration

	2022 S\$'000	2021 S\$'000
Wages, salaries and bonuses	214,402	198,806
Directors' remuneration	965	933
Commission	20,973	19,876
Contribution to defined contribution plan	25,378	23,014
Staff allowances	9,622	8,961
Others	10,532	12,244
	<u>281,872</u>	<u>263,834</u>

The above includes employment-related government grants received during the year totalling S\$941,000 (2021: S\$3,584,000) and key management remuneration as disclosed in Note 41.

Notes to the financial statements
For the financial year ended 31 December 2022

9. Other operating expenses

	Note	2022 S\$'000	2021 S\$'000
Auditor's remuneration		630	470
Depreciation of property and equipment	24	6,652	7,306
Depreciation of right-of-use assets	23	14,212	13,747
Amortisation of intangible assets	22	27,237	25,811
Maintenance and hire of property and equipment		20,185	17,587
Premises maintenance expenses		2,357	2,733
Rental expenses		10,972	11,191
Administration expenses		44,354	39,676
Computerisation costs		7,162	8,824
Service charges and fees		24,706	16,680
Irrecoverable GST input tax		3,816	3,921
Finance cost	23	796	1,060
Overhead expenses allocated by related corporations		8,272	7,110
Property and equipment and intangible assets written off	22, 24	7	5,137
Other professional fees		5,026	6,053
Others		4,134	4,692
		180,518	171,998

Overhead expenses allocated by related corporations include overhead expenses charged by related corporations under service level agreements. Transfer prices between related corporations are on an arm's length basis in a manner similar to transactions with third parties. These expenses include marketing-related costs shared with a related corporation.

Rental expenses allocated by related corporation amounted to S\$10,739,000 (2021: S\$10,919,000). Low value assets expenses are included in rental expenses which amounted to S\$233,000 (2021: S\$313,000).

Notes to the financial statements
For the financial year ended 31 December 2022

10. (Provision for)/write-back of impairment losses on financial assets

	Note	2022 S\$'000	2021 S\$'000
(Provision for)/write-back of impairment loss for FVOCI debt securities	13, 14, 15	(53)	87
Provision for impairment loss for debt securities at amortised cost	13, 15	(39)	-
Provision for impairment loss for balances and placements with and loans to banks	17	(21)	(5)
Provision for impairment loss for bills receivable and loans and advances to non-bank customers	18	(79,620)	(5,684)
Provision for impairment loss for contingent liabilities		(366)	(9)
(Provision for)/write-back of impairment loss for receivables under resale agreements		(689)	1,160
Bad debts recovered		7,482	11,357
Bad debts written-off		(311)	(263)
		<u>(73,617)</u>	<u>6,643</u>

11. Taxation

	Note	2022 S\$'000	2021 S\$'000
Current income tax expense			
Current year		30,681	31,406
Under/(over)provisions in respect of previous year		437	(3,000)
		<u>31,118</u>	<u>28,406</u>
Deferred tax expense			
Movements in temporary differences	28	(5,620)	(3,469)
		<u>(5,620)</u>	<u>(3,469)</u>
Total tax expense		<u>25,498</u>	<u>24,937</u>

11. Taxation (cont'd)

Reconciliation of tax expense

The following represents a numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate:

	2022 S\$'000	2021 S\$'000
Profit before taxation	173,943	182,116
Tax at statutory income tax rate of 17%	29,570	30,960
Adjustments:		
Tax exempt revenue	(20)	(556)
Tax incentives*	(1,724)	(3,724)
Expenses not deductible for tax purposes	218	2,999
Approved donation relief	-	(180)
Under/(over)provisions in respect of previous years	437	(3,000)
Others	(2,983)	(1,562)
	25,498	24,937

* Chargeable income arising from the Bank's qualifying transactions is taxed at concessionary tax rate of 13.5% pursuant to the Financial Sector Incentive - Standard Tier ("FSI-ST") Scheme.

12. Cash and balances with central bank

Cash and balances with central bank include cash on hand of S\$97,178,000 (2021: S\$59,429,000) and balances with central bank of S\$1,244,266,000 (2021: S\$1,030,561,000). The amount is unsecured and non-interest-bearing.

Notes to the financial statements
For the financial year ended 31 December 2022

13. Singapore government securities and treasury bills

	2022 S\$'000	2021 S\$'000
Fair value through other comprehensive income	2,036,794	4,107,134
Amortised cost	251,101	-
	<u>2,287,895</u>	<u>4,107,134</u>

All Singapore government securities and treasury bills are of investment grade and have an external credit rating of AAA.

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Singapore government securities and treasury bills at FVOCI</u>				
At 1 January 2021	5,597,219	-	-	5,597,219
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	3,077,669	-	-	3,077,669
Changes in fair value	(50,335)	-	-	(50,335)
Amount derecognised through disposal or maturity (excluding write offs)	(4,517,419)	-	-	(4,517,419)
At 31 December 2021	<u>4,107,134</u>	<u>-</u>	<u>-</u>	<u>4,107,134</u>

<u>Singapore government securities and treasury bills at FVOCI</u>				
At 1 January 2022	4,107,134	-	-	4,107,134
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	2,160,785	-	-	2,160,785
Changes in fair value	(123,991)	-	-	(123,991)
Amount derecognised through disposal or maturity (excluding write offs)	(4,107,134)	-	-	(4,107,134)
At 31 December 2022	<u>2,036,794</u>	<u>-</u>	<u>-</u>	<u>2,036,794</u>

13. Singapore government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>ECL allowances of Singapore</u>				
<u>government securities and</u>				
<u>treasury bills at FVOCI</u>				
At 1 January 2021	354	-	-	354
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	188	-	-	188
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	(284)	-	-	(284)
At 31 December 2021	258	-	-	258
<u>ECL allowances of Singapore</u>				
<u>government securities and</u>				
<u>treasury bills at FVOCI</u>				
At 1 January 2022	258	-	-	258
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	295	-	-	295
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	(258)	-	-	(258)
At 31 December 2022	295	-	-	295

13. Singapore government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Singapore government securities and treasury bills at amortised cost</u>				
At 1 January 2021	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	-	-	-	-
Amount derecognised through disposal or maturity (excluding write offs)	-	-	-	-
At 31 December 2021	-	-	-	-
<u>Singapore government securities and treasury bills at amortised cost</u>				
At 1 January 2022	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	251,133	-	-	251,133
Changes in fair value	-	-	-	-
Amount derecognised through disposal or maturity (excluding write offs)	-	-	-	-
At 31 December 2022	251,133	-	-	251,133

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13. Singapore government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>ECL allowances of Singapore</u>				
<u>government securities and</u>				
<u>treasury bills at amortised</u>				
<u>cost</u>				
At 1 January 2021	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	-	-	-	-
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2021	-	-	-	-
<u>ECL allowances of Singapore</u>				
<u>government securities and</u>				
<u>treasury bills at amortised</u>				
<u>cost</u>				
At 1 January 2022	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	32	-	-	32
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2022	32	-	-	32

Notes to the financial statements
For the financial year ended 31 December 2022

14. Other government securities and treasury bills

	2022 S\$'000	2021 S\$'000
Fair value through other comprehensive income	133,596	82,276

The table below shows the fair value of the Bank's other government securities and treasury bills measured at FVOCI by credit risk, based on the Bank's internal credit rating system and year end classification with an analysis of changes in fair value and the corresponding ECL.

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Other government securities and treasury bills - Internal rating grade</u>				
Low	82,276	-	-	82,276
At 31 December 2021	82,276	-	-	82,276
<u>Other government securities and treasury bills - Internal rating grade</u>				
Low	133,596	-	-	133,596
At 31 December 2022	133,596	-	-	133,596

Notes to the financial statements
For the financial year ended 31 December 2022

14. Other government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Fair value of other government securities and treasury bills at FVOCI</u>				
At 1 January 2021	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	82,197	-	-	82,197
Changes in fair value	79	-	-	79
Amount derecognised through disposal or maturity (excluding write offs)	-	-	-	-
At 31 December 2021	82,276	-	-	82,276
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Fair value of other government securities and treasury bills at FVOCI</u>				
At 1 January 2022	82,276	-	-	82,276
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	143,400	-	-	143,400
Changes in fair value	(9,804)	-	-	(9,804)
Amount derecognised through disposal or maturity (excluding write offs)	(82,276)	-	-	(82,276)
At 31 December 2022	133,596	-	-	133,596

Notes to the financial statements
For the financial year ended 31 December 2022

14. Other government securities and treasury bills (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>ECL allowances of other government securities and treasury bills at FVOCI</u>				
At 1 January 2021	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	14	-	-	14
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposal or maturity (excluding write offs)	-	-	-	-
At 31 December 2021	14	-	-	14
<u>ECL allowances of other government securities and treasury bills at FVOCI</u>				
At 1 January 2022	14	-	-	14
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	18	-	-	18
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposal or maturity (excluding write offs)	(14)	-	-	(14)
At 31 December 2022	18	-	-	18

Notes to the financial statements
For the financial year ended 31 December 2022

15. Debt securities

	2022 S\$'000	2021 S\$'000
Fair value through other comprehensive income	143,606	157,652
Amortised cost	55,407	-
	<u>199,013</u>	<u>157,652</u>

All debt securities are of investment grade and have an external credit rating of AAA.

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Debt securities at FVOCI</u>				
At 1 January 2021	250,462	-	-	250,462
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	78,000	-	-	78,000
Changes in fair value	(4,987)	-	-	(4,987)
Amount derecognised through disposals or maturity (excluding write offs)	(165,823)	-	-	(165,823)
At 31 December 2021	<u>157,652</u>	<u>-</u>	<u>-</u>	<u>157,652</u>

<u>Debt securities at FVOCI</u>				
At 1 January 2022	157,652	-	-	157,652
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	159,405	-	-	159,405
Changes in fair value	(15,799)	-	-	(15,799)
Amount derecognised through disposals or maturity (excluding write offs)	(157,652)	-	-	(157,652)
At 31 December 2022	<u>143,606</u>	<u>-</u>	<u>-</u>	<u>143,606</u>

15. Debt securities (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>ECL allowances of debt</u>				
<u>securities at FVOCI</u>				
At 1 January 2021	14	-	-	14
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	5	-	-	5
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	(10)	-	-	(10)
At 31 December 2021	9	-	-	9

<u>ECL allowances of debt</u>				
<u>securities at FVOCI</u>				
At 1 January 2022	9	-	-	9
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	21	-	-	21
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	(9)	-	-	(9)
At 31 December 2022	21	-	-	21

15. Debt securities (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>Debt securities at amortised cost</u>				
At 1 January 2021	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2021	-	-	-	-
<u>Debt securities at amortised cost</u>				
At 1 January 2022	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	55,414	-	-	55,414
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2022	55,414	-	-	55,414

Notes to the financial statements
For the financial year ended 31 December 2022

15. Debt securities (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
<u>ECL allowances of debt</u>				
<u>securities at amortised</u>				
<u>cost</u>				
At 1 January 2021	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	-	-	-	-
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2021	-	-	-	-
<u>ECL allowances of debt</u>				
<u>securities at amortised</u>				
<u>cost</u>				
At 1 January 2022	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
New assets purchased	7	-	-	7
Impact of ECL during the year	-	-	-	-
Amount written off	-	-	-	-
Amount derecognised through disposals or maturity (excluding write offs)	-	-	-	-
At 31 December 2022	7	-	-	7

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16. Repurchase and Resale agreements

During its normal course of business, the Bank purchases securities under agreements to resell (reverse repos), for which the Bank has the right to resell the securities.

At the end of the reporting period, receivables under resale agreements (“reverse repo”) are as follows:

	Fair value of receivables under resale agreement		Carrying amount of corresponding receivables	
	2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000
Singapore and other government securities and treasury bills	1,847,248	1,713,156	1,848,585	1,711,203
Debt Securities	929,366	426,773	915,144	413,870

Corresponding receivables are classified under amounts due from/to related corporations (Note 20). All resale agreements are entered into with a related corporation of an investment grade and classified as Stage 1.

17. Balances and placements with and loans to banks

	2022 S\$'000	2021 S\$'000
Gross balances and placements with and loans to banks	169,946	161,891
Allowance for impairment:		
Stage 1 - 12 months' ECL	(58)	(37)
Net of impairment	169,888	161,854

Included in balances and placements with and loans to banks are nostro accounts.

All balances and placements with and loans to banks placed during the year are classified as Stage 1. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL.

Notes to the financial statements
For the financial year ended 31 December 2022

18. Bills receivable and loans and advances to non-bank customers

	2022 S\$'000	2021 S\$'000
Bills receivable	12,976	12,196
Loans and advances to non-bank customers	24,620,565	24,666,288
Allowance for impairment	(265,587)	(225,419)
Net of impairment	24,367,954	24,453,065

* Loans and advances to non-bank customers include balances from related corporations of S\$41,000 (2021: S\$48,000).

An analysis of movements in bills receivable and loans and advances to non-bank customers and corresponding ECL allowances are as follows:

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Gross Bills receivable and loans and advances to non-bank customers				
At 1 January 2021	21,250,825	1,320,872	186,936	22,758,633
Transfers to Stage 1	668,788	(661,143)	(7,645)	-
Transfers to Stage 2	(534,071)	544,184	(10,113)	-
Transfers to Stage 3	(34,545)	(21,963)	56,508	-
New assets originated, staged as at year end	7,749,321	188,399	-	7,937,720
Amount written off	-	-	(35,542)	(35,542)
Amount derecognised or repaid (excluding write offs)	(5,557,190)	(372,815)	(52,322)	(5,982,327)
At 31 December 2021	23,543,128	997,534	137,822	24,678,484
At 1 January 2022	23,543,128	997,534	137,822	24,678,484
Transfers to Stage 1	508,973	(497,510)	(11,463)	-
Transfers to Stage 2	(366,397)	380,877	(14,480)	-
Transfers to Stage 3	(29,981)	(41,764)	71,745	-
New assets originated, staged as at year end	7,181,534	122,439	-	7,303,973
Amount written off	-	-	(39,452)	(39,452)
Amount derecognised or repaid (excluding write offs)	(6,925,381)	(343,970)	(40,113)	(7,309,464)
At 31 December 2022	23,911,876	617,606	104,059	24,633,541

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For the financial year ended 31 December 2022

18. Bills receivable and loans and advances to non-bank customers (cont'd)

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
ECL allowances of bills receivable and loans and advances to non-bank customers				
At 1 January 2021	100,130	66,070	89,077	255,277
Transfers to Stage 1	21,180	(18,068)	(3,112)	-
Transfers to Stage 2	(3,559)	6,999	(3,440)	-
Transfers to Stage 3	(948)	(1,784)	2,732	-
New assets originated, staged as at year end	23,080	3,687	-	26,767
Impact of ECL during the year	(21,272)	5,352	31,532	15,612
Changes in model assumptions	(6,508)	(5,156)	-	(11,664)
Amount written off	-	-	(35,542)	(35,542)
Amount derecognised or repaid (excluding write offs)	(16,973)	(5,115)	(2,943)	(25,031)
At 31 December 2021	95,130	51,985	78,304	225,419
ECL allowances of bills receivable and loans and advances to non-bank customers				
At 1 January 2022	95,130	51,985	78,304	225,419
Transfers to Stage 1	15,823	(12,651)	(3,172)	-
Transfers to Stage 2	(2,851)	7,199	(4,348)	-
Transfers to Stage 3	(241)	(1,841)	2,082	-
New assets originated, staged as at year end	45,721	12,282	-	58,003
Impact of ECL during the year	10,897	35,830	28,905	75,632
Changes in model assumptions	(16,011)	(15,353)	-	(31,364)
Amount written off	-	-	(39,452)	(39,452)
Amount derecognised or repaid (excluding write offs)	(16,813)	(5,270)	(568)	(22,651)
At 31 December 2022	131,655	72,181	61,751	265,587

ECL for undrawn loan commitments are included in the ECL allowances of bills receivable and loans and advances to non-bank customers, as part of the exposures at default for ECL computation purposes.

Changes in model assumptions refer to ECL taken to address model limitations and this is referred to as management overlays and model adjustments amounting to S\$32,972,000 (2021: S\$64,336,000).

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19. Impaired credit facilities

	2022 S\$'000	2021 S\$'000
Gross Impaired loans and advances to customers	104,059	137,822

Impaired credit facilities represent all outstanding credit facilities, including direct credit substitutes and transaction related contingencies, if any, classified as sub-standard, doubtful and loss in accordance with the MAS's loan grading guidelines under MAS Notice to Bank No. 612 "Credit Files, Grading and Provisioning". As at 31 December 2022, there are no impaired direct credit substitutes and transaction related contingencies (2021: S\$Nil). All impaired credit facilities are classified as "Stage 3", as disclosed in Note 18.

20. Amounts due from/due to related corporations

Amounts due from related corporations comprise placements and other balances with related corporations of the Bank. Included in amounts due from related corporation are placements of S\$3,114,974,000 (2021: S\$3,156,730,000) which are unsecured and bear interest from 0.79% to 4.88% (2021: 0% to 0.85%) per annum. It also includes receivables under resale agreements of S\$2,763,729,000 (2021: S\$2,125,073,000) which are interest bearing, ranging from 3.0% to 4.6% (2021: 0.1% to 0.7%) per annum (Note 16).

Amounts due to related corporations comprise of current accounts maintained by other related corporations with the Bank. These amounts are unsecured and non-interest bearing.

21. Other assets

	Note	2022 S\$'000	2021 S\$'000
Derivative financial instruments	35	89,395	21,560
Sundry deposits		6,735	7,378
GST input tax		11,967	8,985
Sundry debtors		37,108	35,858
Government grant receivable		338	338
Margin placed with related corporation		63,552	-
		209,095	74,119

Margin placed with related corporation balances are interest-bearing at market interest rates.

22. Intangible assets

	Note	IT software S\$'000
Cost		
At 1 January 2021		144,494
Additions		14,043
Disposals		-
Write-off		(5,137)
Transfer		(242)
At 31 December 2021 and at 1 January 2022		153,158
Additions		38,290
Disposals		-
Write-off		-
Transfer		(19,115)
At 31 December 2022		172,333
Accumulated amortisation		
At 1 January 2021		44,391
Amortisation charge for the year	9	25,811
Disposals		-
At 31 December 2021 and at 1 January 2022		70,202
Amortisation charge for the year	9	27,237
Disposals		-
At 31 December 2022		97,439
Net book value		
At 31 December 2021		82,956
At 31 December 2022		74,894

Included in intangible assets are IT software work-in-progress of approximately S\$25,405,000 (2021: S\$23,287,000). Write-off S\$5,137,000 in 2021 was in relation to an aborted system enhancement project.

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23. Leases

The Bank has various operating lease agreements for office premises, data centre and ATM space. Most leases contain renewable options. Lease terms do not contain restrictions on the Bank's activities concerning additional debt or further leasing.

The movement in right-of-use assets are as follows:

Cost	Note	Premises S\$'000	Data Centre S\$'000	ATM Space S\$'000	Total S\$'000
At 1 January 2021					
Additions		57,248	19,238	1,299	77,785
Modifications		3,454	-	442	3,896
Termination		4,059	-	-	4,059
		(910)	-	(417)	(1,327)
At 31 December 2021 and at 1 January 2022		63,851	19,238	1,324	84,413
Additions		3,879	-	336	4,215
Modifications		2,858	-	-	2,858
Termination		-	-	(240)	(240)
At 31 December 2022		70,588	19,238	1,420	91,246
Accumulated depreciation					
At 1 January 2021					
Depreciation charge for the year	9	16,271	8,142	637	25,050
Termination		9,227	4,071	449	13,747
		(390)	-	(366)	(756)
At 31 December 2021 and at 1 January 2022		25,108	12,213	720	38,041
Depreciation charge for the year	9	9,724	4,071	417	14,212
Termination		-	-	(226)	(226)
At 31 December 2022		34,832	16,284	911	52,027
Net book value					
At 31 December 2021		38,743	7,025	604	46,372
At 31 December 2022		35,756	2,954	509	39,219

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23. Leases (cont'd)

The movement in lease liabilities are as follows:

	Note	2022 S\$'000	2021 S\$'000
At beginning of year		46,420	52,426
Additions		6,968	7,835
Termination		(21)	(523)
Repayment		(14,613)	(14,378)
Finance cost	9	796	1,060
At end of year		39,550	46,420

The impact of the application of FRS 116 to the statement of comprehensive income for the financial year ended 31 December 2022 and 2021 is shown as below:

	2022 S\$'000	2021 S\$'000
Depreciation of right-of-use assets	14,212	13,747
Finance cost	796	1,060
Expense relating to leases of short-term and low-value assets	291	313
Total expense recognised in the income statement	15,299	15,120

The impact of the application of FRS 116 on the disclosure in the cash flow statement for the financial year ended 31 December 2022 and 2021 is shown as below:

	2022 S\$'000	2021 S\$'000
Total cash outflows for leases		
Payment of principal portion of lease liabilities	13,817	13,318
Finance cost paid	796	1,060
	14,613	14,378

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24. Property and equipment

	Note	Renovation S\$'000	Office equipment, furniture and fittings & others S\$'000	Computer and electrical equipment S\$'000	Motor vehicles S\$'000	Construction- in-progress S\$'000	Total S\$'000
Cost							
At 1 January 2021		10,666	770	23,039	557	1,141	36,173
Additions		1,092	42	3,527	-	3,085	7,746
Disposals		-	-	(3)	-	-	(3)
Transfers		-	-	225	-	(1,092)	(867)
At 31 December 2021		11,758	812	26,788	557	3,134	43,049
Accumulated depreciation							
At 1 January 2021		5,504	501	9,440	266	-	15,711
Depreciation charge for the year	9	2,204	105	4,851	146	-	7,306
Disposals		-	-	(3)	-	-	(3)
At 31 December 2021		7,708	606	14,288	412	-	23,014
Net book value							
At 31 December 2021		4,050	206	12,500	145	3,134	20,035

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24. Property and equipment (cont'd)

	Note	Renovation S\$'000	Office equipment, furniture and fittings & others S\$'000	Computer and electrical equipment S\$'000	Motor vehicles S\$'000	Construction- in-progress S\$'000	Total S\$'000
Cost							
At 1 January 2022		11,758	812	26,788	557	3,134	43,049
Additions		1,188	132	5,223	-	3,568	10,111
Disposals		(60)	(32)	(40)	-	-	(132)
Transfers		-	-	-	-	(1,214)	(1,214)
At 31 December 2022		12,886	912	31,971	557	5,488	51,814
Accumulated depreciation							
At 1 January 2022		7,708	606	14,288	412	-	23,014
Depreciation charge for the year	9	1,499	100	5,013	40	-	6,652
Disposals		(56)	(32)	(37)	-	-	(125)
At 31 December 2022		9,151	674	19,264	452	-	29,541
Net book value							
At 31 December 2022		3,735	238	12,707	105	5,488	22,273

25. Amounts due to central bank

	2022 S\$'000	2021 S\$'000
Amounts due to central bank at amortised cost	409,365	1,237,325

The above relates to S\$409,365,000 (2021: S\$1,237,325,000) drawn under the MAS SGD facility for ESG loan funding. These amounts are secured and bear interest at a fixed rate of 0.1% per annum with maturity dates up to 2024, of which S\$352,324,000 will mature within 12 months.

26. Deposits of non-bank customers

	2022 S\$'000	2021 S\$'000
Financial liabilities at amortised cost	30,525,900	31,062,264

27. Other liabilities

	Note	2022 S\$'000	2021 S\$'000
Derivative financial instruments	35	89,383	27,092
Sundry creditors		70,208	54,233
Accrued operating expenses		107,746	98,999
ECL for contingent liabilities	33	700	334
		268,037	180,658

Sundry creditors includes margin deposits received from related corporation of S\$2,458,000 (2021: S\$5,428,000).

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28. Deferred tax assets/(liabilities)

Movements in deferred tax liabilities and assets during the financial year are as follows:

	At 1/1/2021 S\$'000	(Charged)/credited to Profit or loss S\$'000 (Note 11)	Fair value adjustment reserve S\$'000	At 31/12/2021 S\$'000
Deferred tax (liabilities)/assets				
Government and other debt securities - FVOCI	(4,481)	-	9,407	4,926
Property and equipment and leases	(13,363)	2,304	-	(11,059)
Others	-	1,165	-	1,165
Net deferred tax (liabilities)	(17,844)	3,469	9,407	(4,968)

	At 1/1/2022 S\$'000	(Charged)/credited to Profit or loss S\$'000 (Note 11)	Fair value adjustment reserve S\$'000	At 31/12/2022 S\$'000
Deferred tax assets/(liabilities)				
Government and other debt securities - FVOCI	4,926	-	15,269	20,195
Property and equipment and leases	(11,059)	1,451	-	(9,608)
Others	1,165	4,169	-	5,334
Net deferred tax assets	(4,968)	5,620	15,269	15,921

29. Subordinated Notes

	2022 S\$'000	2021 S\$'000
Subordinated note at amortised cost	504,916	505,018

On 26 March 2020, the Bank had issued an S\$500,000,000 3.7% subordinated notes due 2030 (the "Notes"). The Notes were issued in denominations of S\$250,000 and shall bear interest on their outstanding principal amount at 3.7% p.a. in respect of the period from the issue date 26 March 2020 until reset date 26 March 2025. The Notes were fully subscribed by a related corporation, which is a bank.

30. Debt securities issued

	2022 S\$'000	2021 S\$'000
Debt securities issued at amortised cost	808,472	372,509

Debt securities were issued under a perpetual unsecured unsubordinated USD Commercial Paper Programme ["USCP"] of up to USD10 billion established by Maybank Singapore Limited. Maturities range from overnight to up to 397 days from date of issue as agreed upon by the issuer and the purchaser of the USCPs. USCPs are issued at par less a discount representing an interest factor or, if interest bearing, at par.

31. Share capital

	2022		2021	
	No of shares '000	S\$'000	No of shares '000	S\$'000
At end of year	2,000,000	2,000,000	2,000,000	2,000,000

32. Dividends

	2022 S\$'000	2021 S\$'000
Declared and paid during the financial year:		
<u>Dividends on ordinary shares</u>		
Final dividend for 2021: S\$0.01 per share	20,000	-
Interim dividend for 2021: S\$0.03 per share	-	60,000
	20,000	60,000

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33. Contingent liabilities

	2022 S\$'000	2021 S\$'000
Direct credit substitutes	43,778	38,654
Transaction-related contingencies	92,389	62,596
Trade-related contingencies	100,860	111,224
	<u>237,027</u>	<u>212,474</u>

Included in direct credit substitutes and trade-related contingencies are financial guarantees, shipping guarantees and letter of credit of S\$91,195,000 (2021: S\$102,745,000) subject to ECL in which the Bank has direct exposures. The Bank has assessed that the remaining contingent liabilities are scoped out for ECL purposes as the Bank is not exposed to any contractual credit commitments on these products.

An analysis of movements in the contingent liabilities that are subject to ECL and corresponding ECL allowances are as follows:

Gross carrying amount of contingent liabilities	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
At 1 January 2021	125,950	14,174	-	140,124
Transfers to Stage 1	8,146	(8,146)	-	-
Transfers to Stage 2	(9,867)	9,867	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	75,022	1,111	-	76,133
Amount written off	-	-	-	-
Exposures derecognised or matured (excluding write offs)	(105,476)	(8,036)	-	(113,512)
At 31 December 2021	<u>93,775</u>	<u>8,970</u>	<u>-</u>	<u>102,745</u>
At 1 January 2022	93,775	8,970	-	102,745
Transfers to Stage 1	5,055	(5,055)	-	-
Transfers to Stage 2	(1,055)	1,055	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	65,336	1,702	-	67,038
Amount written off	-	-	-	-
Exposures derecognised or matured (excluding write offs)	(76,413)	(2,175)	-	(78,588)
At 31 December 2022	<u>86,698</u>	<u>4,497</u>	<u>-</u>	<u>91,195</u>

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33. Contingent liabilities (cont'd)

ECL allowances of contingent liabilities	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
At 1 January 2021	276	49	-	325
Transfers to Stage 1	21	(21)	-	-
Transfers to Stage 2	(21)	21	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	220	8	-	228
Impact of ECL during the year	7	32	-	39
Amount written off	-	-	-	-
Exposures derecognised or matured (excluding write offs)	(237)	(21)	-	(258)
At 31 December 2021	266	68	-	334
At 1 January 2022	266	68	-	334
Transfers to Stage 1	18	(18)	-	-
Transfers to Stage 2	(2)	2	-	-
Transfers to Stage 3	-	-	-	-
New exposures originated as at year end	360	12	-	372
Impact of ECL during the year	57	133	-	190
Amount written off	-	-	-	-
Exposures derecognised or matured (excluding write offs)	(171)	(25)	-	(196)
At 31 December 2022	528	172	-	700

34. Commitments

	2022 S\$'000	2021 S\$'000
Credit commitments:		
- Undrawn credit lines and other commitments to extend credit	9,700,260	8,212,045

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. These balances are subject to ECL and are included in the ECL allowances of bills receivable and loans and advances to non-bank customers (Note 18).

Other commitments include:

	2022 S\$'000	2021 S\$'000
Forward deposits placed	110,490	660
Forward deposits taken	1,014	28
Total commitments	9,811,764	8,212,733

35. Derivative financial instruments

The derivative financial instruments shown in the following tables are held-for-trading purposes. The contractual or underlying principal amounts of these derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at the end of the reporting period are analysed below.

Positive and negative fair values are the mark-to-market values of the derivative contracts. Notional principal amounts are the amounts of principal underlying the contract at the end of the reporting period.

2022	Notional amounts S\$'000	Assets (Note 21) S\$'000	Liabilities (Note 27) S\$'000
Foreign exchange derivatives			
Forward foreign exchange	1,380,275	3,031	2,954
Options	75,410	3,401	3,676
	1,455,685	6,432	6,630
Interest rate derivatives			
Swaps	4,168,552	75,703	75,218
Options	992,113	7,260	7,535
	5,160,665	82,963	82,753
Total	6,616,350	89,395	89,383
<hr/>			
2021	Notional amounts S\$'000	Assets (Note 21) S\$'000	Liabilities (Note 27) S\$'000
Foreign exchange derivatives			
Forward foreign exchange	938,788	109	5,200
Options	68,434	612	613
	1,007,222	721	5,813
Interest rate derivatives			
Swaps	1,315,274	15,639	15,867
Options	1,081,901	5,200	5,412
	2,397,175	20,839	21,279
Total	3,404,397	21,560	27,092

Derivative assets and derivative liabilities are offset and the net amounts are reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

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For the financial year ended 31 December 2022

35. Derivative financial instruments (cont'd)

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements are as follows:

	Gross amount of recognised financial assets/ liabilities S\$'000	Gross amount offset in the statement of financial position S\$'000	Amount presented in the statement of financial position S\$'000	Amount not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral received/ pledged S\$'000	
2022						
Financial assets						
Derivative assets	98,064	(8,669)	89,395	(12,218)	-	77,177
Financial liabilities						
Derivative liabilities	98,052	(8,669)	89,383	(12,218)	-	77,165
2021						
Financial assets						
Derivative assets	23,335	(1,775)	21,560	(12,690)	-	8,870
Financial liabilities						
Derivative liabilities	28,867	(1,775)	27,092	(12,690)	-	14,402

* Master netting arrangement and similar arrangements impacting the Bank are entered into by the ultimate holding company. The relevant financial collateral received/pledged are maintained by the ultimate holding company.

35. Derivative financial instruments (cont'd)

Offsetting of financial assets and financial liabilities (cont'd)

The table below sets out the maturity analysis of the notional principal amounts of derivative contracts:

	Notional amount (Maturity)			
	Within 6 months S\$'000	Between 6 to 12 months S\$'000	More than 1 year S\$'000	Total S\$'000
2022				
Foreign exchange derivatives				
Forward foreign exchange	1,189,731	190,544	-	1,380,275
Options	48,981	26,429	-	75,410
Interest rate derivatives				
Swaps	69,930	1,085,476	3,013,146	4,168,552
Options	-	-	992,113	992,113
Total	1,308,642	1,302,449	4,005,259	6,616,350
2021				
Foreign exchange derivatives				
Forward foreign exchange	934,707	4,081	-	938,788
Options	67,795	639	-	68,434
Interest rate derivatives				
Swaps	-	-	1,315,274	1,315,274
Options	-	-	1,081,901	1,081,901
Total	1,002,502	4,720	2,397,175	3,404,397

35. Derivative financial instruments (cont'd)

Offsetting of financial assets and financial liabilities (cont'd)

Notional amounts of derivative financial instruments entered into with the ultimate holding company, other branches and subsidiaries of the ultimate holding company are as follows:

	2022 S\$'000	2021 S\$'000
Foreign exchange derivatives		
Forward foreign exchange	1,180,519	861,091
Options	24,167	34,217
Interest rate derivatives		
Swaps	2,136,176	657,637
Options	496,057	540,950
Total	3,836,919	2,093,895

As at 31 December 2022, the net derivative payable to related parties amounted to S\$69,614,000 (net derivative payable in 2021: S\$1,287,000).

36. Financial risk management objectives and policies

(a) *Introduction and overview*

The Bank is exposed to the following risks:

- Credit risk;
- Liquidity risk;
- Market risk; and
- Operational risk.

This note discusses the above-mentioned risks as well the Bank's policies and procedures for the early identification and proactive management of these risks.

Enterprise Risk Management Framework

The Bank's risk management framework facilitates effective risk oversight through a sound and well-defined internal governance model, with a clear structure of risk ownership and accountability. The framework is supported by other risk policies and detailed procedures/guidelines to guide businesses in proactive risk management, whilst working towards achieving their business objectives. The risk management framework is reviewed regularly to keep it relevant to the Bank's business strategy and prevailing market conditions.

Under the Bank's risk governance structure, the Board of Directors has overall responsibility for risk management oversight, including financial risk management. The Board approves the Bank's risk management framework and risk appetite; and ensures that Senior Management takes the necessary steps to identify, measure, control and monitor the risks.

36. Financial risk management objectives and policies (cont'd)

(a) *Introduction and overview (cont'd)*

Risk management framework (cont'd)

Board oversight is supported by a Board level Committee - the Risk Management and Compliance Committee ("RMCC"). In addition, the Board is supported by several Executive Level Risk Management Committees - the Singapore Management Committee ("SMC"), the Executive Risk Management Committee ("ERC"), the Credit Committee Singapore ("CCS"), Non-Financial Risk Committee ("NFRC") and the Asset & Liability Management Committee ("ALCO").

The RMCC, SMC, ERC, CCS, NFRC and ALCO ensure that sound risk management policies and procedures are in place. Policies are established to manage/address the risks while limits and controls are set and constantly monitored to keep exposures within tolerance levels.

(b) *Credit risk*

Credit risk is the potential loss from any failure in the ability or the unwillingness of the borrowers to fulfil their financial and/or contractual obligations as and when they fall due.

(i) *Management of credit risk*

Credit risk is the risk of loss of principal or income arising from the failure of an obligor or counterparty to perform their contractual obligations in accordance with agreed terms.

Non-retail (commercial) credit risks are assessed by business units and evaluated/approved jointly by business and credit (independent party) within the Bank, where each customer is assigned a credit rating based on the assessment of relevant qualitative and quantitative factors including borrower's/customer's financial position, future cash flows, types of facilities and securities offered. Reviews are conducted at least once a year with updated information on borrower's/customer's financial position, market position, industry and economic condition and account conduct. Corrective actions are taken when the accounts show signs of credit deterioration.

Retail credit exposures are managed on a programme basis. Credit programmes are assessed jointly between credit risk and business units. Reviews on credit programmes are conducted at least once a year to assess the performance of the portfolios.

The Bank's credit risk management framework manages the credit quality of its loan portfolio. This framework covers credit approval process, credit policies and guidelines, credit risk rating systems, credit risk mitigation process, credit administration documentation, training and credit personnel.

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(i) *Management of credit risk (cont'd)*

The Bank adopts a risk-based credit approval process requiring loan approval at successively higher joint levels and/or committees (as delegated) according to the risk level of the application. Loans that exceed the authority limit of SGD320 million/SGD1.6 billion (tiered by credit rating) will be escalated to the Board of Directors for affirmation. Core credit risk policies, framework and guidelines are approved in accordance with the prevailing Policy on Risk Documents.

In view that authority limits are directly related to the risk levels of the borrower and transaction, a Risk-Based Authority Limit structure was implemented based on Borrower Risk Rating (BRR) via the internally developed Credit Risk Rating System ("CRRS").

The Bank practises risk diversification and has in place structures to control the appropriate limits and exposures. Limits are established and regularly monitored in the area of country exposures, industry groups, product groups, collateral types and single counterparty exposures.

(ii) *Credit Risk Measurement*

This section should be read in conjunction with the impairment policies (Note 2.11) within the summary of significant accounting policies.

Significant increase in credit risk ("SICR")

In order to determine whether an instrument is subject to 12mECL or LTECL, the Bank assesses whether there has been a SICR since initial recognition. SICR is recognised based on the change in the risk of default between initial recognition and reporting date.

For rated accounts, internal ratings are used in determining the rating deterioration. Rating deterioration will be tiered according to the current risk management practice which segregates the internal ratings according to four risk categories, i.e. very low, low, medium and high, as described in Note 36(b)(iv). In addition to rating deterioration, the Bank also uses criteria like days-past-due (dpd) and other judgemental triggers that will lead to accounts/borrowers moving to Watchlist or Special Mention categories.

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(ii) *Credit Risk Measurement (cont'd)*

Definition of default and cure

The Bank considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As part of a qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Bank considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- (i) Rescheduling and Restructuring due to deterioration in financial condition of the borrower.
- (ii) The borrower has ceased operation or bankruptcy or winding up or under insolvency proceedings or classified as financially distressed by a stock exchange or financial regulator.
- (iii) Material fraud, criminal act or breach of trust committed by the borrower.
- (iv) Deterioration in internal or external credit rating of the borrower from original rating.
- (v) Deterioration of financial positions of the borrower.
- (vi) A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- (vii) Loss of license and regulatory approval that affects business continuity measured by material impact of > 50% of the company's turnover.
- (viii) A covenant breach not waived by the Bank.

The Bank considers a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Grouping financial assets measured on a collective basis

The Bank's retail portfolios are under Basel II Advanced Internal Ratings-Based ("AIRB") Approach. This approach calls for more extensive reliance on the Bank's own internal experience whereby estimations for all the three components of Risk-Weighted Assets ("RWA") calculation namely PD, EAD and LGD are based on its own historical data. Separate PD, EAD and LGD statistical models were developed at the respective retail portfolio level; each model covering borrowers with fundamentally similar risk profiles in a portfolio. Currently, the Bank retail portfolios are segregated into 4 segments, namely Housing, Cards, Equity Term Loans and Hire Purchase.

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(ii) *Credit Risk Measurement (cont'd)*

Grouping financial assets measured on a collective basis (cont'd)

For non-retail portfolios, the Bank uses internal credit models for evaluating the majority of its credit risk exposures. For Commercial Banking and Bank portfolios, the Bank has adopted the Foundation Internal Ratings-Based ("FIRB") Approach, which allows the Bank to use its internal PD estimates to determine an asset risk weighting and apply supervisory estimates for LGD and EAD. CRRS is developed to allow the Bank to identify, assess and measure commercial and small business borrowers' credit risk. CRRS is a statistical default prediction model. The model was developed and recalibrated to suit the Bank's environment using internal data. The model development process was conducted and documented in line with specific criteria for model development in accordance to Basel II. The EL principles employed in the Bank is aligned to those employed at its ultimate holding company and enables the calculation of expected loss using PD estimates (facilitated by the CRRS), LGD and EAD.

(iii) *Maximum exposure to credit risk*

The Bank's maximum exposure to credit risk of on-balance sheet financial assets and off-balance sheet exposure exclude any collateral held or other credit enhancements. For on-balance sheet financial assets, the maximum exposure to credit risk equals their gross carrying amount at the end of the reporting period. For off-balance sheet items, the maximum exposure to credit risk is limited to the commitments to extend credit and other credit related commitments. The maximum credit exposure to client or counterparty as of 31 December 2022 was S\$34,897,868,000 and S\$9,937,287,000 (2021: S\$35,675,320,000 and S\$8,424,519,000) for on-balance sheet and off-balance sheet, respectively.

(iv) *Credit quality*

Credit classification for financial assets

The four (4) risks categories as set out and defined below, from very low to high, apart from impaired, describe the credit quality of the Bank's lending. These classifications encompass a range of more granular, internal gradings assigned to loans and advances whilst external gradings are applied to debt securities. There is no direct correlation between the internal and external ratings at a granular level, except to the extent that each falls within a single credit quality band.

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*(iv) *Credit quality (cont'd)*Credit classification for financial assets (cont'd)

Risk Category (Non-Retail)	Probability of default ("PD") grade	External credit ratings based on S&P's ratings
Very low	1 - 5	AAA to A-
Low	6 - 10	BBB+ to BB+
Medium	11 - 15	BB+ to B+
High	16 - 21	B+ to CCC

Risk Category (Retail)	Probability of default ("PD") grade	External credit ratings based on S&P's ratings
Very low	1 - 2	AAA to BBB-
Low	3 - 5	BB+ to BB-
Medium	6 - 8	B+ to CCC
High	9 - 11	CCC to C

Risk category is as described below:

- **Very low:** Obligors rated in this category have an excellent capacity to meet financial commitments with very low credit risk.
- **Low:** Obligors rated in this category have a good capacity to meet financial commitments with low credit risk.
- **Medium:** Obligors rated in this category have a fairly acceptable capacity to meet financial commitments with moderate credit risk.
- **High:** Obligors rated in this category have uncertain capacity to meet financial commitments and are subject to high credit risk.
- **Unrated:** Obligors in this category have not been assigned with borrower risk ratings for various reasons e.g. non-availability of scorecards / unapproved scorecards.

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36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality (cont'd)

Credit classification for financial assets (cont'd)

The following table provides a breakdown of the bills receivable and loans and advances to non-bank customers according to the Bank's credit risk category.

2022	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Very Low	14,530,995	29,368	-	14,560,363
Low	3,525,518	99,611	-	3,625,129
Medium	2,713,885	223,715	-	2,937,600
High	525,890	248,821	-	774,711
Unrated	2,615,588	16,091	-	2,631,679
Impaired	-	-	104,059	104,059
Less: ECL	(131,655)	(72,181)	(61,751)	(265,587)
Total carrying amount	23,780,221	545,425	42,308	24,367,954
2021	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Very Low	13,885,459	20,120	-	13,905,579
Low	3,979,544	164,465	-	4,144,009
Medium	2,357,657	632,598	-	2,990,255
High	250,291	166,861	-	417,152
Unrated	3,070,177	13,490	-	3,083,667
Impaired	-	-	137,822	137,822
Less: ECL	(95,130)	(51,985)	(78,304)	(225,419)
Total carrying amount	23,447,998	945,549	59,518	24,453,065

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(iv) *Credit quality (cont'd)*

Credit classification for financial assets (cont'd)

Derivative financial instruments are entered with various international financial institutions or companies. Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the statement of financial position. Derivative financial instruments include foreign exchange derivatives and interest rate derivatives 89% (2021: 90%) of derivative exposure is entered into with counterparties of investment grade.

The Bank also classifies its credit portfolios according to the borrowers' ability to repay the credit facility from their normal source of income. There is an independent credit review process to ensure the appropriateness of loan grading and classification in accordance with MAS Notice 612. All borrowing accounts are categorised into 'Pass', 'Special Mention' or 'Impaired' categories. Impaired accounts are further categorised as 'Substandard', 'Doubtful' or 'Loss' in accordance with Notice to Bank No. 612 "Credit Files, Grading and Provisioning" issued by the MAS. The five categories are described below:

Performing

- Pass represents credit facilities where timely repayment is not in doubt and which do not exhibit any potential weakness in repayment capability, business, cash flow or financial position of the borrower.
- Special mention represents credit facilities which require closer monitoring. These facilities exhibit potential weakness that, if not corrected in a timely manner, may adversely affect repayment at a future date.

Classified or Impaired

- Substandard represents credit facilities that require special attention. The facilities exhibit definable weakness, either in respect of the business, cash flow or financial position of the borrower, which may jeopardise repayment on existing terms.
- Doubtful represents credit facilities that demonstrate severe weaknesses, such that the prospects of full recovery of the amounts outstanding are questionable and prospects of a loss are high.
- Loss represents credit facilities that are not collectable and little or nothing can be done to recover the amounts outstanding from any collateral or from the borrower's assets generally.

36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality (cont'd)

Classified or Impaired (cont'd)

The following table provides a breakdown of the gross bills receivable and loans and advances to non-bank customers' gross carrying amount according to the MAS Notice to Bank No. 612 "Credit Files, Grading and Provisioning":

2022	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Performing				
Pass	23,911,876	538,927	-	24,450,803
Special Mention	-	78,679	-	78,679
Classified or Impaired				
Substandard	-	-	3,996	3,996
Doubtful	-	-	61,569	61,569
Loss	-	-	38,494	38,494
Total	23,911,876	617,606	104,059	24,633,541
<hr/>				
2021	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Performing				
Pass	23,543,128	895,864	-	24,438,992
Special Mention	-	101,670	-	101,670
Classified or Impaired				
Substandard	-	-	8,935	8,935
Doubtful	-	-	78,170	78,170
Loss	-	-	50,717	50,717
Total	23,543,128	997,534	137,822	24,678,484

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(iv) *Credit quality (cont'd)*

Collaterals

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The Bank holds collaterals as follows:

- For loans and advances to non-bank customers and bill receivable in the form of mortgages or charges over properties, motor vehicles, listed securities, deposits, trade receivables, vessels and machinery.
- For reverse repurchase agreements in the form of Singapore and other government securities.

Estimates of the fair value are initially based on the value of collateral assessed at the time of borrowing and subsequently updated during the collateral valuation monitoring process (including credit reviews).

For financial assets that are credit impaired as at period end, the impairment loss considers the difference between the carrying value and the discounted cash flows. In determining discounted cash flows, the Bank would consider the repayment capacity of the borrower, including the realisation of collateral pledged with the Bank. As at 31 December 2022, the lower of fair value and carrying amount of collateral/other credit enhancements for financial assets that are credit impaired as at year end is S\$21,677,000 (2021: S\$41,301,000).

36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(iv) Credit quality (cont'd)

Collaterals (cont'd)

The following table quantifies the extent to which collateral and other credit enhancements help to mitigate the credit risk of loans and advances to non-bank customers, bills receivable and receivables under resale agreement:

	Lower of fair value of collateral/other credit enhancements and carrying amount			
	2022		2021	
	Loans and advances to non-bank customers, bills receivable S\$'000	Receivables under resale agreement S\$'000	Loans and advances to non-bank customers, bills receivable S\$'000	Receivables under resale agreement S\$'000
Singapore and other government securities	-	1,840,222	-	1,705,145
Debts Securities	-	911,108	-	411,297
Properties	17,093,960	-	16,438,182	-
Vessels and other motor vehicles	2,802,924	-	3,298,793	-
Others	1,186,032	-	592,976	-
Total collateral	21,082,916	2,751,330	20,329,951	2,116,442
Maximum exposure to credit risk	24,633,541	2,767,012	24,678,484	2,287,056
Net exposure	3,550,625	15,682	4,348,533	170,614

S\$1.3 billion (2021: S\$1.4 billion) of the loans and advances to non-bank customers relate to the Temporary Bridging Loan which is under risk sharing with ESG.

The Bank generally does not occupy the premises repossessed for its business use.

36. Financial risk management objectives and policies (cont'd)

(b) *Credit risk (cont'd)*

(iv) *Credit quality (cont'd)*

Write-off policy

The Bank writes off a loan or debt security balance, and any related allowances for impairment losses, when the management determines that the loan or securities is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's/issuer's financial position such that the borrower/issuer can no longer settle the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balance standardised loans, write-off decisions generally are based on a product specific past due status.

(v) *Concentration risk*

Specifically in the area of country or industry exposure, concentration of credit risk exists when changes in geographic or industry factors affect groups of counterparties whose aggregate credit exposure is significant in relation to the Bank's total credit exposures. The tables on the following page summarise the geographic and industry sector risk concentrations in relation to balances with significant credit exposures. Derivative assets are mainly due from banks and financial institution counterparties.

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For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration risk by geographic sector

Country	Singapore government securities and treasury bills S\$'000	Other government securities and treasury bills S\$'000	Debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills Receivable and Loans and advances to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
As at 31 December 2022									
Singapore	2,287,927	-	199,020	-	23,740,064	9,145,213	236,930	35,609,154	95.3
India	-	-	-	-	2,382	445	-	2,827	0.0
Malaysia	-	-	-	-	180,745	178,629	77	359,451	1.0
China	-	-	-	-	427,804	55,589	-	483,393	1.3
Hong Kong	-	-	-	-	44,610	23,368	-	67,978	0.2
Others	-	133,596	-	169,946	237,936	297,016	20	838,514	2.2
	2,287,927	133,596	199,020	169,946	24,633,541	9,700,260	237,027	37,361,317	100.0

Notes to the financial statements
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36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration by industry sector

As at 31 December 2022	Singapore government securities and treasury bills S\$'000	Other government securities and treasury bills S\$'000	Debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills receivable and Loans and advances to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
Building and construction	-	-	-	-	1,015,481	436,277	72,720	1,524,478	4.0
Financial institutions	-	-	-	169,946	1,712,514	793,716	5,190	2,681,366	7.2
Manufacturing	-	-	-	-	599,979	237,544	14,426	851,949	2.3
Transport, storage and communication	-	-	-	-	453,800	164,074	8,684	626,558	1.7
Government and public sector	2,287,927	133,596	199,020	-	-	-	-	2,620,543	7.0
Housing and bridging loans	-	-	-	-	12,555,245	1,953,269	-	14,508,514	38.8
General commerce	-	-	-	-	1,914,616	1,104,243	111,589	3,130,448	8.4
Professional and private individuals	-	-	-	-	5,313,059	4,729,666	5,218	10,047,943	26.9
Others	-	-	-	-	1,068,847	281,471	19,200	1,369,518	3.7
	2,287,927	133,596	199,020	169,946	24,633,541	9,700,260	237,027	37,361,317	100.0

Notes to the financial statements
For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration risk by geographic sector

Country	Singapore government securities and treasury bills S\$'000	Other government securities and treasury bills S\$'000	Debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Receivable and Loans to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
As at 31 December 2021									
Singapore	4,107,134	-	157,652	-	23,784,883	7,775,776	118,396	35,943,841	95.6
India	-	-	-	-	6,145	2,743	10,237	19,125	0.1
Malaysia	-	-	-	-	171,933	205,231	4,958	382,122	1.0
China	-	-	-	-	441,922	21,775	4,981	468,678	1.2
Hong Kong	-	-	-	-	54,302	12,742	994	68,038	0.2
Others	-	82,276	-	161,891	219,299	193,778	72,908	730,152	1.9
	4,107,134	82,276	157,652	161,891	24,678,484	8,212,045	212,474	37,611,956	100.0

Notes to the financial statements
For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(v) Concentration by industry sector

As at 31 December 2021	Singapore government securities and treasury bills S\$'000	Other government securities and treasury bills S\$'000	Debt securities S\$'000	Balances and placements with and loans to banks S\$'000	Bills receivable and Loans and advances to non-bank customers S\$'000	Undrawn loan commitments S\$'000	Contingent liabilities S\$'000	Total S\$'000	As % of total %
Building and construction	-	-	-	-	1,506,279	452,562	39,852	1,998,693	5.3
Financial institutions	-	-	-	161,891	1,751,481	553,511	1,087	2,467,970	6.6
Manufacturing	-	-	-	-	634,747	217,536	21,519	873,802	2.3
Transport, storage and communication	-	-	-	-	509,856	140,967	10,405	661,228	1.8
Government and public sector	4,107,134	82,276	157,652	-	-	-	-	4,347,062	11.6
Housing and bridging loans	-	-	-	-	12,741,603	-	-	12,741,603	33.9
General commerce	-	-	-	-	1,671,786	969,572	118,169	2,759,527	7.3
Professional and private individuals	-	-	-	-	5,597,085	5,652,458	6,172	11,255,715	29.9
Others	-	-	-	-	265,647	225,439	15,270	506,356	1.3
	4,107,134	82,276	157,652	161,891	24,678,484	8,212,045	212,474	37,611,956	100.0

36. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk*

Liquidity risk arises when the Bank is unable to make a payment on any of its financial obligations to customers or counterparties in any currency when they come due. This may be due to the Bank's inability to liquidate assets or to obtain funding to meet its liquidity needs in a timely manner.

Liquidity risk can be broadly classified into:

- Funding liquidity risk - Risk that the Bank is not able to meet both expected and unexpected current and future cash flow and collateral needs effectively without affecting either daily operations or the financial condition of the Bank;
- Market liquidity risk - Risk that the Bank is not able to easily offset or eliminate the position at market price because of inadequate market depth or market disruption.

Liquidity risk can also arise as a consequence of other risk such as credit risk and reputation risk.

(i) *Management of liquidity risk*

ALCO oversees the Bank's liquidity risk management. The Global Market department centrally manages day-to-day funding and regulatory reserve requirements. In addition, the Non Traded Risk Management department functions as an independent unit responsible for reviewing policies and limits and monitoring liquidity risk.

The Bank's liquidity management objective is to ensure that there are sufficient funds to meet contractual and regulatory financial obligations when they are due. Liquidity risk is managed by a combination of cash flow monitoring, liquidity ratios and stress tests. Projected cash flow movements are closely monitored. Under the Bank's liquidity risk management framework, the Bank maintains liquid assets based on historical and future cash flow requirements and volatility. Liquidity ratios monitor and control the dependency on particular sources of funds and exposure to any particular group of depositors. Stress tests are conducted regularly to identify the Bank's vulnerability of cash flow and assess the Bank's capacity and resilience to withstand liquidity stress situations.

The Contingency Funding Plan ("CFP") addresses the possibility of prolonged liquidity disruption. The plan enables the Bank to respond swiftly and systematically to a liquidity crisis by covering critical areas such as the identification of crisis triggers, roles and responsibilities of different stakeholders, action plans for different scenarios, reporting requirements, and communication plans.

36. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*

(ii) *Exposure to liquidity risk*

The following tables show the undiscounted cash flows on the Bank's financial liabilities including issued financial guarantees and unrecognised loan commitments on the basis of their earliest possible contractual maturity. The Bank's expected cash flows on these instruments may vary significantly from this analysis. For example, demand deposits from customers may have a stable or increasing balance and unrecognised loan commitments are not all expected to be drawn down immediately.

Derivative financial instruments include those net settled derivative contracts in a net liability position, together with the pay leg of gross settled contracts regardless of whether the overall contract is in a marked-to-market gain or loss position. The receive leg is not shown in this table and as a result the derivative amounts in this table are inflated by their exclusion.

The Bank anticipates and manages liquidity gaps using behavioural assumptions. These assumptions are regularly reviewed by the Non Traded Risk Management department and approved by ALCO.

Notes to the financial statements
For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*

(iii) *Residual contractual maturities of financial liabilities*

As at 31 December 2022	Note	Carrying amount S\$'000	Gross nominal outflow S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 to 6 months S\$'000	6 months to 1 year S\$'000	1 year to 5 years S\$'000	After 5 years S\$'000
Non-derivative liabilities									
Amounts due to central bank	25	409,365	410,184	11,834	-	301,058	40,137	57,155	-
Deposits of non-bank customers	26	30,525,900	31,042,479	13,051,165	2,260,276	3,245,587	8,789,342	3,696,109	-
Bills payable		99,241	99,241	99,241	-	-	-	-	-
Amounts due to related corporations		9,104	9,104	9,104	-	-	-	-	-
Lease liabilities	23	39,550	39,550	-	6	1,531	458	24,664	12,891
Subordinated notes	29	504,916	638,776	-	9,174	-	9,326	74,051	546,225
Debt securities issued	30	808,472	808,472	223,093	283,204	302,175	-	-	-
		32,396,548	33,047,806	13,394,437	2,552,660	3,850,351	8,839,263	3,851,979	559,116
Undrawn loan commitments	34	9,700,260	9,700,260	6,103,273	256,515	355,956	416,748	336,479	2,231,289
Contingent liabilities	33	237,027	237,027	81,076	30,187	24,880	35,559	65,089	236
		9,937,287	9,937,287	6,184,349	286,702	380,836	452,307	401,568	2,231,525

Notes to the financial statements
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36. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

(iii) Residual contractual maturities of financial liabilities (cont'd)

As at 31 December 2022	Gross nominal inflow/ (outflow) S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 months to 6 months S\$'000	6 months to 1 year S\$'000	1 year to 5 years S\$'000	After 5 years S\$'000	Total S\$'000
<i>Derivatives</i>								
Net settled derivatives:								
Interest rate derivatives*	-	-	-	-	-	-	-	-
Foreign rate derivatives*	-	-	-	-	-	-	-	-
Net inflow/(outflow)	-	-	-	-	-	-	-	-
Gross settled derivatives:								
Interest rate derivatives:								
- Inflow	-	-	-	-	-	-	-	-
- Outflow	-	-	-	-	-	-	-	-
Foreign exchange derivatives:								
- Inflow	1,403,301	713,530	385,832	90,369	190,544	-	23,026	1,403,301
- Outflow	(1,401,163)	(711,907)	(386,081)	(90,616)	(189,955)	-	(22,604)	(1,401,163)
Net inflow/(outflow)	2,138	1,623	(249)	(247)	589	-	422	2,138

* Nil amount due to back to back derivative transactions with a related corporation.

Notes to the financial statements
For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

(iii) Residual contractual maturities of financial liabilities (cont'd)

As at 31 December 2021	Note	Carrying amount S\$'000	Gross nominal outflow S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 to 6 months S\$'000	6 months to 1 year S\$'000	1 year to 5 years S\$'000	After 5 years S\$'000
Non-derivative liabilities									
Amounts due to central bank	25	1,237,325	1,239,796	-	-	271,642	615,478	352,676	-
Deposits of non-bank customers	26	31,062,264	31,213,022	17,039,692	2,075,547	3,047,005	4,568,825	4,481,953	-
Bills payable		86,568	86,568	86,568	-	-	-	-	-
Amounts due to related corporations		6,233	6,233	6,233	-	-	-	-	-
Lease liabilities	23	46,420	46,420	-	-	10	46	34,788	11,576
Subordinated notes	29	505,018	657,276	-	9,174	-	9,326	74,051	564,725
Debt securities issued	30	372,509	372,509	138,442	177,610	56,457	-	-	-
		33,316,337	33,621,824	17,270,935	2,262,331	3,375,114	5,193,675	4,943,468	576,301
Undrawn loan commitments	34	8,212,045	8,212,045	6,293,153	281,978	278,888	429,470	192,161	736,395
Contingent liabilities	33	212,474	212,474	81,942	35,191	26,237	23,744	44,973	387
		8,424,519	8,424,519	6,375,095	317,169	305,125	453,214	237,134	736,782

Notes to the financial statements
For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

(iii) Residual contractual maturities of financial liabilities (cont'd)

As at 31 December 2021	Gross nominal inflow/ (outflow) S\$'000	Less than 1 month S\$'000	1 month to 3 months S\$'000	3 months to 6 months S\$'000	6 months to 1 year S\$'000	1 year to 5 years S\$'000	After 5 years S\$'000	Total S\$'000
<i>Derivatives</i>								
Net settled derivatives:								
Interest rate derivatives*	-	-	-	-	-	-	-	-
Foreign rate derivatives*	-	-	-	-	-	-	-	-
Net inflow/(outflow)	-	-	-	-	-	-	-	-
<i>Gross settled derivatives:</i>								
Interest rate derivatives:								
- Inflow	-	-	-	-	-	-	-	-
- Outflow	-	-	-	-	-	-	-	-
Foreign exchange derivatives:								
- Inflow	934,313	845,312	51,195	33,722	4,084	-	-	934,313
- Outflow	(938,788)	(849,852)	(51,161)	(33,694)	(4,081)	-	-	(938,788)
Net inflow/(outflow)	(4,475)	(4,540)	34	28	3	-	-	(4,475)

* Nil amount due to back to back derivative transactions with a related corporation.

Notes to the financial statements
For the financial year ended 31 December 2022

36. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

(iv) Maturity analysis of non-derivative financial assets and liabilities

As at 31 December 2022	Note	Up to 7 days S\$'000	Over 7 days to 1 month S\$'000	Over 1 to 3 months S\$'000	Over 3 to 12 months S\$'000	Over 1 to 3 year S\$'000	Over 3 years S\$'000	No specific maturity S\$'000	Total S\$'000
Assets									
Cash and balance with a central bank		1,341,444	-	-	-	-	-	-	1,341,444
Singapore government securities and treasury bills	13	99,715	234,091	166,211	147,040	566,550	1,074,288	-	2,287,895
Other government securities and treasury bills	14	-	-	-	-	20,867	112,729	-	133,596
Debt Securities	15	-	-	-	-	41,603	157,410	-	199,013
Balances and placements with and loans to banks		169,888	-	-	-	-	-	-	169,888
Amounts due from related corporations		1,527,062	1,966,418	1,225,606	915,998	300,183	-	-	5,935,267
Bills receivable	18	8,554	4,422	-	-	-	-	-	12,976
Loans and advances to non-bank customers	18	892,156	1,030,003	421,437	462,627	1,961,535	19,587,220	-	24,354,978
		4,038,819	3,234,934	1,813,254	1,525,665	2,890,738	20,931,647	-	34,435,057
Liabilities									
Amounts due to central bank	25	-	11,811	-	-	57,041	-	-	409,365
Deposits of non-bank customers	26	11,870,153	1,058,922	2,253,681	11,845,873	2,251,621	1,245,650	-	30,525,900
Amounts due to related corporations		9,104	-	-	-	-	-	-	9,104
Bills payable		99,241	-	-	-	-	-	-	99,241
Lease liabilities	23	-	-	6	2,142	7,524	29,878	-	39,550
Subordinated notes	29	-	-	-	-	-	504,916	-	504,916
Debt securities issued	30	67,149	163,417	281,095	296,811	-	-	-	808,472
		12,045,647	1,234,150	2,534,782	12,485,339	2,316,186	1,780,444	-	32,396,548

Notes to the financial statements
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36. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

(iv) Maturity analysis of non-derivative financial assets and liabilities (cont'd)

As at 31 December 2021	Note	Up to 7 days S\$'000	Over 7 days to 1 month S\$'000	Over 1 to 3 months S\$'000	Over 3 to 12 months S\$'000	Over 1 to 3 year S\$'000	Over 3 years S\$'000	No specific maturity S\$'000	Total S\$'000
Assets									
Cash and balance with a central bank		1,089,990	-	-	-	-	-	-	1,089,990
Singapore government securities and treasury bills	13	249,984	949,731	861,399	673,156	430,278	942,586	-	4,107,134
Other government securities and treasury bills	14	-	-	58,675	-	-	23,601	-	82,276
Debt Securities	15	-	-	-	-	-	157,652	-	157,652
Balances and placements with and loans to banks		161,854	-	-	-	-	-	-	161,854
Amounts due from related corporations		1,443,288	1,583,458	1,095,023	302,342	908,648	-	-	5,332,759
Bills receivable	18	12,014	-	-	182	-	-	-	12,196
Loans and advances to non-bank customers	18	955,304	894,366	307,291	546,913	1,195,193	20,541,802	-	24,440,869
		3,912,434	3,427,555	2,322,388	1,522,593	2,534,119	21,665,641	-	35,384,730
Liabilities									
Amounts due to central bank	25	-	-	-	885,354	351,971	-	-	1,237,325
Deposits of non-bank customers	26	16,101,024	910,477	2,073,588	7,591,102	4,232,520	153,553	-	31,062,264
Amounts due to related corporations		6,233	-	-	-	-	-	-	6,233
Bills payable		86,568	-	-	-	-	-	-	86,568
Lease liabilities	23	-	-	-	56	16,667	29,697	-	46,420
Subordinated notes	29	-	-	-	-	-	505,018	-	505,018
Debt securities issued	30	6,753	131,842	177,552	56,362	-	-	-	372,509
		16,200,578	1,042,319	2,251,140	8,532,874	4,601,158	688,268	-	33,316,337

36. Financial risk management objectives and policies (cont'd)

(d) *Market risk*

Market risk stems from changes in market prices, such as interest rates, equity prices, and currency exchanges rates that adversely affect income or position value. The Bank is primarily exposed to interest rate and currency risk based on the nature of its banking operations.

(i) *Management of market risk*

ALCO provides oversight of market risk for the Bank which mainly arises from the banking book. The Non Traded Risk Management department proposes and reviews policies and limits; and is responsible for monitoring of the Bank's market risk exposures from the Banking Book. Being the primary market risk-taking unit, the Global Market department manages the exposures and ensures that they are kept within limits.

One of the objective of market risk management is to keep market risk exposures under acceptable parameters while optimising returns. In order to achieve the control objective, risk measures are computed and check against their respective limits defined based on the Bank's risk tolerance. Limit exceptions are escalated according to policy stipulations. These limits, along with the related policies and procedures, are regularly reviewed and approved at appropriate authority level.

Consistent with the ultimate holding company's policies, Bank-wide banking book interest rate risk is measured and controlled via earnings and economic value perspectives.

(ii) *Exposure to interest rate risk*

Interest rate risk is the exposure to interest rate movements arising from differences between the timing of rate changes against the Bank's cash flow positions. Interest rate risk can also stem from imperfect correlation of rate earned and paid on different instruments with similar re-pricing characteristics, changes in slope and shape of the yield curve, and embedded options in banking products. The main sources of interest rate risk are the Bank's loan and deposit portfolios. The Bank uses interest rate swaps as appropriate to ensure that exposures are within tolerable levels.

The Bank assesses its short term interest rate risk exposures in the banking book by using Earnings-at-Risk ("EaR") and long term interest rate risk exposures in the banking book by using Economic Value at Risk (EVaR). EaR measures the sensitivity of earnings, i.e., net interest income ("NII") to market interest rate movements and EVaR measures the sensitivity of economic value of Banking Book interest rate exposures to interest rate movements.

As at 31 December 2022, an upward parallel shift in yield curve of 150 basis points for SGD and 200 basis points for USD, the two significant currencies that the Bank transact, would result in an increase of S\$83,986,000 on EaR. A downward parallel shift would have a decrease of S\$90,078,000 on EaR.

36. Financial risk management objectives and policies (cont'd)

(d) *Market risk (cont'd)*(ii) *Exposure to interest rate risk (cont'd)**IBOR reform*

LIBOR, SOR and SIBOR which have been widely used in the global financial markets, would be discontinued by end-2021 (non-USD LIBOR), Jun-2023 (USD LIBOR and SOR) and end-2024 (SIBOR) and be replaced by RFRs as part of the global reform of benchmark interest rate. The transition from LIBOR, SOR and SIBOR to RFRs will have significant impact on the bank arising from legal implications for existing derivatives and loan contracts referenced to LIBOR, adjustment to accounting and valuation approaches, and system recalibration and reconfiguration. The Bank's IBOR reform project is managed by a dedicated IBOR Transition Workgroup chaired by the Chief Risk Officer Singapore and comprise of members from relevant functions. The Workgroup is accountable to both the Singapore Executive Risk Committee and the Singapore Board for local governance, and to the Group IBOR Project Steering Committee ("PSC") for group governance.

The Bank has met all material industry and regulatory milestones to date, is on track to meet future timelines based on current progression, and does not anticipate any material compliance delay. The Bank is also monitoring the evolving global transition landscape for contingency adjustment, as well as proactive client engagement with up-to-date information and sufficient lead time to facilitate informed decision-making.

The following table shows the exposure that has yet to transit from IBOR to RFRs as at 31 December 2022:

2022	Non-derivatives Financial Assets - carrying value S\$'000	Non-derivatives Financial Liabilities - carrying value S\$'000	Derivatives Nominal Amount S\$'000
USD LIBOR	-	-	27,119
SGD SOR	80,000	-	917,328
SGD SIBOR	1,336,315	-	-
2021	Non-derivatives Financial Assets - carrying value S\$'000	Non-derivatives Financial Liabilities - carrying value S\$'000	Derivatives Nominal Amount S\$'000
USD LIBOR	-	-	50,510
SGD SOR	90,000	-	2,284,261
SGD SIBOR	2,944,732	-	-

36. Financial risk management objectives and policies (cont'd)

(d) *Market risk (cont'd)*(iii) *Exposure to foreign currency risk*

Foreign currency risk arises from the movements in exchange rates that adversely affect the revaluation of Bank's foreign currency positions. The Bank's foreign exchange exposure is managed centrally by the Global Markets department, who deploys standard Foreign Exchange instruments like Forward Contracts and Cross-Currency Swaps to manage the Bank's foreign exchange risk.

The Bank monitors the foreign exchange exposures against approved trading and stop loss limits for every business day. Limit exceptions are escalated according to policy stipulated.

The following summarises the Bank's sensitivity to a 10% change in currency rates against S\$:

2022	Change in currency rate %	Impact to current year profit before tax S\$'000
USD	+/- 10	+/-319
GBP	+/- 10	+/-110
AUD	+/- 10	-/+1
HKD	+/- 10	+/-4
EUR	+/- 10	+/-17
CNY	+/- 10	+/-3
Others	+/- 10	-/+32
2021	Change in currency rate %	Impact to current year profit before tax S\$'000
USD	+/- 10	+/-279
GBP	+/- 10	-/+33
AUD	+/- 10	+/-17
HKD	+/- 10	+/-7
EUR	+/- 10	-/+2
CNY	+/- 10	+/-6
Others	+/- 10	-/+5

Sensitivity is calculated using the net position in each currency, including off-balance sheet. This methodology does not consider option pay-offs as the Bank has a nominal open position in foreign exchange options. The largest net open position of the Bank as at 31 December 2022 is denominated in USD, with S\$ equivalent, S\$3,191,000(2021: S\$2,786,000).

37. Fair value of assets and liabilities

Financial instruments comprise financial assets, financial liabilities and off-balance sheet derivative instruments. The fair value of a financial instrument is the amount for which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

Although management has employed its best judgement in the estimation of fair values, there is inevitably a significant element of subjectivity involved in the calculations. Therefore, the fair value estimates are not necessarily indicative of the amounts that the Bank could have realised in a sales transaction as at the end of the reporting period.

(a) Fair value methodologies

The following methods and assumptions are used to estimate the fair value of each class of financial instrument and depend on the terms and risk characteristics of the various instruments:

(i) Financial instruments for which carrying value approximate fair value

The carrying values of certain financial instruments on the statement of financial position, approximate fair values. These include cash and balances with central banks, bills receivable/payable, balances and placements with and loans to banks, amounts due to central bank and other assets and liabilities. These financial instruments are either short-term in nature or are receivable/payable on demand or carried at market value.

(ii) Government securities, treasury bills and debt securities

Fair values of government securities, treasury bills and debt securities that are traded in active markets are based on the quoted market price or dealer price quotation at the end of the reporting period.

(iii) Loans and advances to non-bank customers

Fair values for loans that are subject to variable interest rates which re-price within one year have not been recalculated. Their carrying amounts are considered to be not materially different from their fair values.

For fixed interest rate loans, the Bank has estimated the fair values by taking into account the relevant market interest rates and credit spread and noted that the fair value is not materially different from the carrying amount at period end.

(iv) Due from related corporations

The fair value of amounts due from related corporations that mature or re-price within one year is assumed to approximate the carrying value.

For balances which mature or re-price after one year, fair value is principally estimated by discounting contractual cash flows based on market rates.

37. Fair value of assets and liabilities (cont'd)

(a) *Fair value methodologies (cont'd)*

(v) *Due to related corporations and deposits of non-bank customers*

The fair values of non-interest bearing, call and variable rate deposits and fixed rate deposits maturing or re-pricing within one year is assumed to approximate the carrying value.

For deposits of related corporations which mature or re-price after one year, fair value is estimated using discounted cash flow models, whereby contractual cash flows are discounted based on market rates.

For deposits of non-bank customers which mature or re-price after one year, fair value is estimated using discounted cash flow models, whereby contractual cash flows are discounted using current market fixed deposit rates.

The fair value of the subordinated notes, closely approximates its carrying value, considering the full issuance is fully subscribed by a related corporation.

The fair value of debt securities issued is estimated by discounting the expected future cash flows using the applicable prevailing interest rates for similar instruments as at reporting date.

(vi) *Derivatives financial instruments (notional)*

The fair values of foreign exchange contracts, interest rate swaps and options are obtained from quoted market prices, pricing model or discounted cash flow models as appropriate.

The Bank has estimated the fair values of these financial instruments using the methodologies above and noted that the fair values are not materially different from their carrying values.

Valuation adjustment is also an integral part of the valuation process. The Bank makes valuation adjustments such as bid-ask spread adjustment and credit valuation adjustment to adjust mid-market valuations to the appropriate bid or offer valuation and to reflect the risk of counterparty default.

37. Fair value of assets and liabilities (cont'd)

(b) *Financial Instruments carried at fair value**Fair value hierarchy*

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

There has been no transfer between Level 1 and Level 2 fair value measurement during the financial year ended 31 December 2022.

2022	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets measured at fair value on a recurring basis				
Singapore government securities and treasury bills	2,036,794	-	-	2,036,794
Other government securities and treasury bills	133,596	-	-	133,596
Debt securities	143,606	-	-	143,606
Derivative financial instruments	-	89,395	-	89,395
	2,313,996	89,395	-	2,403,391
Financial liabilities measured at fair value on a recurring basis				
Derivative financial instruments	-	89,383	-	89,383
	-	89,383	-	89,383

37. Fair value of assets and liabilities (cont'd)

(b) *Financial Instruments carried at fair value (cont'd)**Fair value hierarchy (cont'd)*

2021	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets measured at fair value on a recurring basis				
Singapore government securities and treasury bills	4,107,134	-	-	4,107,134
Other government securities and treasury bills	82,276	-	-	82,276
Debt securities	157,652	-	-	157,652
Derivative financial instruments	-	21,560	-	21,560
	4,347,062	21,560	-	4,368,622
Financial liabilities measured at fair value on a recurring basis				
Derivative financial instruments	-	27,092	-	27,092
	-	27,092	-	27,092

Notes to the financial statements
For the financial year ended 31 December 2022

37. Fair value of assets and liabilities (cont'd)

(c) *Financial instruments classification*

The Bank's classification of its principal financial assets and liabilities is summarised in the table below:

2022	Financial assets at fair value			Financial assets at amortised cost S\$'000	Carrying amount S\$'000
	Held-for-trading S\$'000	Designated at fair value through profit or loss S\$'000	Other comprehensive Income (“FVOCI”) S\$'000		
Financial assets					
Cash and balances with central bank	-	-	-	1,341,444	1,341,444
Singapore government securities and treasury bills	-	-	2,036,794	251,101	2,287,895
Other government securities and treasury bills	-	-	133,596	-	133,596
Debt securities	-	-	143,606	55,407	199,013
Balances and placements with and loans to banks	-	-	-	169,888	169,888
Bills receivable	-	-	-	12,976	12,976
Loans and advances to non-bank customers	-	-	-	24,354,978	24,354,978
Amounts due from related corporations	-	-	-	5,935,267	5,935,267
Other assets	89,395	-	-	107,732	197,127
Total as at 31 December 2022	89,395	-	2,313,996	32,228,793	34,632,184
Financial liabilities at fair value					
2022	Held-for-trading S\$'000	Designated at fair value through profit or loss S\$'000	Financial liabilities at amortised cost S\$'000	Carrying amount S\$'000	
Financial liabilities					
Amounts due to central bank	-	-	409,365	409,365	
Deposits of non-bank customers	-	-	30,525,900	30,525,900	
Bills payable	-	-	99,241	99,241	
Amounts due to related corporations	-	-	9,104	9,104	
Other liabilities	89,383	-	70,208	159,591	
Lease liabilities	-	-	39,550	39,550	
Subordinated notes	-	-	504,916	504,916	
Debt securities issued	-	-	808,472	808,472	
Total as at 31 December 2022	89,383	-	32,466,756	32,556,139	

Notes to the financial statements
For the financial year ended 31 December 2022

37. Fair value of assets and liabilities (cont'd)

(c) *Financial instruments classification (cont'd)*

2021	Financial assets at fair value			Financial assets at amortised cost S\$'000	Carrying amount S\$'000
	Held-for-trading S\$'000	Designated at fair value through profit or loss S\$'000	Other comprehensive income ("FVOCI") S\$'000		
Financial assets					
Cash and balances with central bank	-	-	-	1,089,990	1,089,990
Singapore government securities and treasury bills	-	-	4,107,134	-	4,107,134
Other government securities and treasury bills	-	-	82,276	-	82,276
Debt securities	-	-	157,652	-	157,652
Balances and placements with and loans to banks	-	-	-	161,854	161,854
Bills receivable	-	-	-	12,196	12,196
Loans and advances to non-bank customers	-	-	-	24,440,869	24,440,869
Amounts due from related corporations	-	-	-	5,332,759	5,332,759
Other assets	21,560	-	-	43,574	65,134
Total as at 31 December 2021	21,560	-	4,347,062	31,081,242	35,449,864

	Financial liabilities at fair value			
	Held-for-trading	Designated at fair value through profit or loss	Financial liabilities at amortised cost	Carrying amount
2021	S\$'000	S\$'000	S\$'000	S\$'000
<i>Financial liabilities</i>				
Amounts due to central bank	-	-	1,237,325	1,237,325
Deposits of non-bank customers	-	-	31,062,264	31,062,264
Bills payable	-	-	86,568	86,568
Amounts due to related corporations	-	-	6,233	6,233
Other liabilities	27,092	-	54,233	81,325
Lease liabilities	-	-	46,420	46,420
Subordinated notes	-	-	505,018	505,018
Debt securities issued	-	-	372,509	372,509
Total as at 31 December 2021	27,092	-	33,370,570	33,397,662

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For the financial year ended 31 December 2022

38. Non-current assets and liabilities

Non-current assets and liabilities of the Bank are set out below. Assets and liabilities other than those disclosed below are current:

	2022 S\$'000	2021 S\$'000
Liabilities		
Deposits of non-bank customers	3,497,271	4,386,073
Deferred tax liabilities	-	4,968
Lease liabilities	37,555	46,364
Subordinated notes	504,916	505,018
Amounts due to central bank	57,041	351,971
	<u>4,096,783</u>	<u>5,294,394</u>
Assets		
Singapore government securities and treasury bills	1,640,835	1,372,864
Other government securities and treasury bills	133,596	23,601
Debt securities	199,013	157,652
Loans and advances to non-bank customers	21,548,756	21,736,995
Amount due from related corporations	300,183	908,648
Intangible assets	74,894	82,956
Right-of-use assets	37,064	46,313
Property, plant and equipment	22,273	20,035
	<u>23,956,614</u>	<u>24,349,064</u>

39. Cash and cash equivalents

For the purposes of the cash flow statement, cash equivalents are short-term liquid assets which are readily convertible into cash. Cash and cash equivalents comprise the following:

	2022 S\$'000	2021 S\$'000
Cash and non-restricted balances with central bank	1,041,444	83,173
Balances and placements with and loans to banks maturing within 3 months	169,946	161,891
Money market balances with related corporations maturing within 3 months	4,720,701	4,122,693
Total cash and cash equivalents	5,932,091	4,367,757
Expected credit loss on cash and cash equivalents	(1,672)	(962)
	<u>5,930,419</u>	<u>4,366,795</u>

40. Capital management

The Bank's capital management strategy is based on guidelines set out in the Capital Management Framework, Capital Contingency Plan and Annual Capital Plan, all of which are formally approved by the Board. The capital requirements are mapped out on an annual basis via the Annual Capital Plan with the key objective to optimise and to maintain a strong capital position to meet the expectation of various stakeholders.

	2022 S\$'000	2021 S\$'000
Share capital	2,000,000	2,000,000
Retained earnings	230,258	101,813
	<u>2,230,258</u>	<u>2,101,813</u>

The Board maintains oversight of the regulatory capital of the Bank in line with regulatory requirements under the Monetary Authority of Singapore Notice to Banks No. 637 "*Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore*" and expectations of various stakeholders such as regulators. In accordance with 637, the Bank is required to comply with leverage ratio requirements based on its standalone capital strength, as well as minimum Common Equity Tier 1 Capital Adequacy Ratio ("CAR") of 6.5%, minimum Tier 1 CAR of 8% and total CAR of 10%.

The Bank has complied with all externally-imposed regulatory capital requirements as at the financial year-end.

41. Related party transactions

In the normal course of banking business, the Bank has carried out transactions with its related corporations on terms as agreed between the parties.

In addition to the related parties transactions disclosed elsewhere in the financial statements, the Bank had the following significant related party transactions, on terms agreed and determined by the parties:

Key management remuneration

The remuneration of key management personnel comprises short-term employee benefits of S\$8,691,000 (2021: S\$7,548,000), post-employment benefits of S\$282,000 (2021: S\$274,000) and share-link instruments of 409,000 units to be vested/paid by 2025 conditional upon fulfilling the vesting/payment criteria.

There was S\$1,405,000 (2021: S\$1,469,000) of credit facilities provided to key management personnel as of 31 December 2022. These credit facilities are also made available to other employees of the Bank.

42. Reclassification and comparative figures

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. This was made to ensure measurement of financial instruments are aligned and consistent across all external reporting.

As a result, certain line items have been amended in the Statement of Comprehensive Income, Statement of Financial Position and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation. The Cash Flow Statement was realigned due to changes in presentation in the Statement of Financial Position.

The Items were reclassified as follows:

	Previously reported (S\$'000)	2021 After reclassification (S\$'000)
Statement of comprehensive income		
Fee and commission income	237,301	243,066
Fee and commission expense	(42,135)	(30,753)
Net fee and commission income	195,166	212,313
Income before operating expenses	594,158	611,305
Staff and other remuneration	(262,940)	(263,834)
Other operating expenses	(155,977)	(171,998)
Operating profit before impairment	175,241	175,473
Write-back of impairment losses on financial assets	6,875	6,643
Profit before taxation	182,116	182,116
Taxation	(24,937)	(24,937)
Net profit after taxation	157,179	157,179
Statement of Financial Position		
Assets		
Balances and placements with and loans to banks	2,286,094	161,854
Amounts due from related corporations	3,208,519	5,332,759

Notes to the financial statements
For the financial year ended 31 December 2022

42. Reclassification and comparative figures (cont'd)

The Items were reclassified as follows (cont'd):

	Previously reported (S\$'000)	2021 After reclassification (S\$'000)
Note 5 Fee and commission income and expense		
Fee and commission income:		
A related corporation	22,824	32,223
Islamic banking activities	7,881	7,881
Others	206,596	202,962
	<u>237,301</u>	<u>243,066</u>
Fee and commission expense:		
A related corporation	800	82
Islamic banking activities	396	393
Others	40,939	30,278
	<u>42,135</u>	<u>30,753</u>
Note 8 Staff and other remuneration		
Others	11,350	12,244
Note 9 Other operating expenses		
Administration expenses	35,390	39,676
Outsourcing costs paid to a related corporation	3,276	-
Service charges and fees	11,037	16,680
Overhead expenses allocated by related corporations	2,866	7,110
Other professional fees	-	6,053
Others	5,621	4,692
	<u>58,190</u>	<u>74,211</u>

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For the financial year ended 31 December 2022

42. Reclassification and comparative figures (cont'd)

The Items were reclassified as follows (cont'd):

	Previously reported (S\$'000)	2021 After reclassification (S\$'000)
Note 10 (Provision for)/write-back of impairment losses on financial assets		
Bad debts written-off	(31)	(263)
Note 17 Balances and placements with and loans to banks		
At amortised cost:		
A related corporation	2,125,165	-
Others	161,891	161,891
	2,287,056	161,891
Allowance for impairment:		
Stage 1 - 12 months' ECL	(962)	(37)
Net of impairment	2,286,094	161,854
Note 39 Cash and cash equivalents		
Balances and placements with and loans to banks maturing within 3 months	2,287,056	161,891
Money market balances with related corporations maturing within 3 months	1,997,528	4,122,693

43. Authorisation of financial statements

The financial statements were authorised for issue by the Board of Directors on 21 February 2023.

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