

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes 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 (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 Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;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 Regulation (EU) 2017/1129. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes 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 Notes 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 UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, 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 UK 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 UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II product governance / target market assessment** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories in item 19 of the Guidelines published by ESMA on 3 August 2023, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Where interest, discount income, early redemption fee or redemption premium is derived from any Notes 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, as amended or modified from time to time (the "ITA") shall not apply if such person acquires such Notes 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 Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

**Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")** – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded 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).

***Final Terms dated 11 October 2024***

***BNP PARIBAS***

***(incorporated in France)***

***(the Issuer)***

***Legal entity identifier (LEI): R0MUWSFPU8MPRO8K5P83***

***Issue of SGD 550,000,000 Resettable Subordinated Tier 2 Notes due April 2035***

***ISIN Code: FR001400TA19***

***under the Euro Medium Term Note Programme***

***(the Programme)***

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth under the section entitled "Terms and Conditions of the French Law Notes" in the Base Prospectus dated 28 June 2024 which received approval n° 24-244 from the *Autorité des marchés financiers* ("**AMF**") on 28 June 2024 and each supplement to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provides for any change to the Conditions of the Notes such changes shall have no effect with respect to the Conditions of the Notes to which these Final Terms relate) which together constitute a base prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus to obtain all relevant information. **The Base Prospectus and any Supplement(s) to the Base Prospectus and these Final Terms are available for viewing at <https://invest.bnpparibas/en/search/debt/documents> and on the AMF website ([www.amf-france.org](http://www.amf-france.org)) and copies may be obtained free of charge at the specified office of the Principal Paying Agent.**

1. Issuer: BNP Paribas
2. (i) Trade Date: 8 October 2024  
(ii) Series Number: 20239  
(iii) Tranche Number: 1
3. Specified Currency: Singapore Dollars ("**SGD**")
4. Aggregate Nominal Amount:  
(i) Series: SGD 550,000,000  
(ii) Tranche: SGD 550,000,000
5. Issue Price of Tranche: 100.00 per cent. of the Aggregate Nominal Amount
6. Minimum Trading Size: Not applicable
7. (i) Specified Denomination: SGD 250,000  
(ii) Calculation Amount: SGD 250,000
8. (i) Issue Date: 15 October 2024  
(ii) Interest Commencement Date: Issue Date
9. (i) Maturity Date: The Interest Payment Date falling on or nearest to 15 April 2035  
(ii) Business Day Convention for Maturity Date: Modified Following
10. Form of Notes: Bearer
11. Interest Basis: Resettable (further particulars specified below)
12. Coupon Switch: Not applicable
13. Redemption/Payment Basis: Redemption at par
14. Change of Interest Basis or Redemption/Payment Basis: Not applicable
15. Put/Call Options: Issuer Call  
Issuer Clean-Up Call  
(further particulars specified below)

|     |                         |  |
|-----|-------------------------|--|
| 16. | Exchange Rate:          | Not applicable   |
| 17. | Status of the Notes:    | Subordinated Notes   |
| 18. | Knock-in Event:         | Not applicable   |
| 19. | Knock-out Event:        | Not applicable   |
| 20. | Method of distribution: | Syndicated   |
| 21. | Hybrid Notes:           | Not applicable   |
| 22. | Tax Gross-Up:           | Condition 6(e) ( <i>No Gross-Up</i> ) of the Terms and Conditions of the French Law Notes not applicable |

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

|     |  |   |
|-----|--|---|
| 23. | Interest:  | Applicable  |
|     | (i) Interest Period(s):  | As per Conditions   |
|     | (ii) Interest Period End Date(s):  | 15 April and 15 October in each year, from and including 15 April 2025  |
|     | (iii) Business Day Convention for Interest Period End Date(s):                         | Modified Following  |
|     | (iv) Interest Payment Date(s):   | 15 April and 15 October in each year, from and including 15 April 2025  |
|     | (v) Business Day Convention for Interest Payment Date(s):                              | Modified Following  |
|     | (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s): | Calculation Agent   |
|     | (vii) Margin(s):   | +1.320 per cent. <i>per annum</i> from and including the First Reset Date (as defined below) to but excluding the Maturity Date |
|     | (viii) Minimum Interest Rate:  | As per Conditions   |
|     | (ix) Maximum Interest Rate:  | Not applicable  |
|     | (x) Day Count Fraction:  | Actual/365 (Fixed)  |
|     | (xi) Determination Dates:  | Not applicable  |
|     | (xii) Accrual to Redemption:   | Applicable  |
|     | (xiii) Rate of Interest:   | Resettable  |
|     | (xiv) Coupon Rate:   | Not applicable  |
| 24. | Fixed Rate Provisions:   | Not applicable  |
| 25. | Resettable Notes:  | Applicable  |
|     | (i) Initial Rate of Interest:  | 3.950 per cent. per annum payable semi-annually in arrear   |
|     | (ii) Reset Rate:   | Mid-Swap Rate   |
|     | (iii) Initial Margin:  | Not applicable  |
|     | (iv) Initial Rate Determination Date:  | Not applicable  |

|            |         |  |   |
|------------|---------|--|---|
|            | (v)     | First Margin:  | +1.320 per cent. <i>per annum</i>   |
|            | (vi)    | Subsequent Margin:   | Not applicable  |
|            | (vii)   | First Reset Date:  | The Interest Payment Date falling on or about 15 April 2030   |
|            | (viii)  | Second Reset Date:   | Not applicable  |
|            | (ix)    | Subsequent Reset Date(s):  | Not applicable  |
|            | (x)     | Relevant Screen Page:  | "OTC SGD OIS" page on Bloomberg under the "BGN" panel and the column headed "Ask"   |
|            | (xi)    | Mid-Swap Rate:   | Mean Mid-Swap Rate<br>Initial Mid-Swap Rate Final Fallback: Not applicable<br>Reset Maturity Initial Mid-Swap Rate Final Fallback: Not applicable<br>Last Observable Mid-Swap Rate Final Fallback: Applicable |
|            | (xii)   | Mid-Swap Maturity:   | 5-year  |
|            | (xiii)  | Mid-Swap Floating Leg Benchmark Rate:  | 6-month Compounded SORA (payable semi-annually in-arrear)   |
|            | (xiv)   | Reference Bond:  | Not applicable  |
|            | (xv)    | Reset Determination Date:  | The date falling two (2) Singapore Business Days prior to the First Reset Date  |
|            | (xvi)   | Relevant Time:   | 4.00 p.m. (Singapore time)  |
|            | (xvii)  | CMT Rate Maturity:   | Not applicable  |
|            | (xviii) | Initial CMT Rate:  | Not applicable  |
| <b>26.</b> |         | Floating Rate Provisions:  | Not applicable  |
| <b>27.</b> |         | Screen Rate Determination:   | Not applicable  |
| <b>28.</b> |         | ISDA Determination:  | Not applicable  |
| <b>29.</b> |         | FBF Determination:   | Not applicable  |
| <b>30.</b> |         | Zero Coupon Provisions:  | Not applicable  |
| <b>31.</b> |         | Index Linked Interest Provisions:  | Not applicable  |
| <b>32.</b> |         | Share Linked/ETI Share Linked Interest Provisions:   | Not applicable  |
| <b>33.</b> |         | Inflation Linked Interest Provisions:  | Not applicable  |
| <b>34.</b> |         | Commodity Linked Interest Provisions:  | Not applicable  |
| <b>35.</b> |         | Fund Linked Interest Provisions:   | Not applicable  |
| <b>36.</b> |         | ETI Linked Interest Provisions:  | Not applicable  |
| <b>37.</b> |         | Foreign Exchange (FX) Rate Linked Interest Provisions:   | Not applicable  |
| <b>38.</b> |         | Underlying Interest Rate Linked Interest Provisions:   | Not applicable  |
| <b>39.</b> |         | Additional Business Centre(s) (Condition 3(f) of the Terms and Conditions of the English Law Notes | New York, Singapore, T2   |

or Condition 3(f) of the Terms and Conditions of the French Law Notes, as the case may be):

#### **PROVISIONS RELATING TO REDEMPTION**

|            |  |   |
|------------|--|---|
| <b>40.</b> | Final Redemption:                                | Calculation Amount x 100 per cent.  |
| <b>41.</b> | Final Payout:                                    | Not applicable  |
| <b>42.</b> | Automatic Early Redemption:                      | Not applicable  |
| <b>43.</b> | Issuer Call Option:                              | Applicable  |
|            | (i) Optional Redemption Date(s):                 | The Interest Payment Date falling on or about 15 April 2030                       |
|            | (ii) Optional Redemption Valuation Date(s):      | Not applicable  |
|            | (iii) Optional Redemption Amount(s):             | Calculation Amount Percentage: Calculation Amount x 100 per cent.                 |
|            | (iv) If redeemable in part:                      |   |
|            | (a) Minimum Redemption Amount:                   | Not applicable  |
|            | (b) Higher Redemption Amount:                    | Not applicable  |
|            | (v) Notice period:                               | Minimum notice period: 5 calendar days<br>Maximum notice period: 30 calendar days |
| <b>44.</b> | Issuer Clean-Up Call:                            | Applicable  |
|            | (i) Clean-Up Percentage:                         | 75 per cent.  |
|            | (ii) Optional Redemption Date(s):                | The date set for redemption specified in the notice to Noteholders                |
|            | (iii) Optional Redemption Valuation Date(s):     | Not applicable  |
|            | (iv) Optional Redemption Amount(s):              | Calculation Amount Percentage: Calculation Amount x 100 per cent.                 |
| <b>45.</b> | Noteholder Put Option:                           | Not applicable  |
| <b>46.</b> | Aggregation:                                     | Not applicable  |
| <b>47.</b> | Index Linked Redemption Amount:                  | Not applicable  |
| <b>48.</b> | Share Linked/ETI Share Linked Redemption Amount: | Not applicable  |
| <b>49.</b> | Inflation Linked Redemption Amount:              | Not applicable  |
| <b>50.</b> | Commodity Linked Redemption Amount:              | Not applicable  |
| <b>51.</b> | Fund Linked Redemption Amount:                   | Not applicable  |
| <b>52.</b> | Credit Linked Notes:                             | Not applicable  |
| <b>53.</b> | ETI Linked Redemption Amount:                    | Not applicable  |

- |     |  |   |
|-----|--|---|
| 54. | Foreign Exchange (FX) Rate Linked Redemption Amount:     | Not applicable  |
| 55. | Underlying Interest Rate Linked Redemption Amount:       | Not applicable  |
| 56. | Events of Default for Senior Preferred Notes:            | Not applicable  |
| 57. | Administrator/Benchmark Event:                           | Not applicable  |
| 58. | MREL/TLAC Disqualification Event:                        | Applicable  |
| 59. | Early Redemption Amount(s):                              | Article 45b2(b) BRRD: Not applicable<br>Final Redemption Amount                 |
| 60. | Provisions applicable to Physical Delivery:              | Not applicable  |
| 61. | Variation of Settlement:                                 |   |
|     | (i) Issuer's option to vary settlement:                  | The Issuer does not have the option to vary settlement in respect of the Notes. |
|     | (ii) Variation of Settlement of Physical Delivery Notes: | Not applicable  |
| 62. | CNY Payment Disruption Event:                            | Not applicable  |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |  |  |
|-----|--|--|
| 63. | Form of Notes:   | Bearer Notes:  |
|     | New Global Note:   | No<br>Dematerialised Notes<br>Bearer dematerialised form ( <i>au porteur</i> ) |
| 64. | Financial Centre(s) or other special provisions relating to Payment Days for the purposes of Condition 4(a):   | New York, Singapore, T2  |
| 65. | Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature):  | No   |
| 66. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Bearer Global Note or Permanent Bearer Global Note, consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not applicable   |
| 67. | Details relating to Notes redeemable in instalments: amount of each instalment, date on which each payment is to be made:  | Not applicable   |
| 68. | Redenomination, renominatisation and reconventioning provisions:   | Not applicable   |

69. Masse (Condition 12 of the Terms and Conditions of the French Law Notes): Contractual representation of Noteholders/No *Masse* shall apply.
70. Governing law: French law
71. Calculation Agent: BNP Paribas

**DISTRIBUTION**

72. (i) If syndicated, names of Managers (specifying Lead Manager): **Joint Lead Managers**  
 BNP Paribas  
 DBS Bank Ltd.  
 Oversea-Chinese Banking Corporation Limited  
 Standard Chartered Bank (Singapore) Limited  
 United Overseas Bank Limited  
**Co-Lead Managers**  
 Bank of China Limited, Singapore Branch  
 Malayan Banking Berhad
- (ii) Stabilising Manager (if any): BNP Paribas
- (iii) If non-syndicated, name of relevant Dealer: Not applicable
73. U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA Not applicable
74. Non-Exempt Offer: Not applicable
75. Prohibition of Sales to Retail Investors: Prohibition of Sales to EEA Retail Investors: Applicable  
 Prohibition of Sales to UK Retail Investors: Applicable
76. Singapore Sales to Institutional Investors and Accredited Investors only: Applicable
77. United States Tax Considerations: The Notes are not Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986.



**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

## PART B – OTHER INFORMATION

### 1. Listing and Admission to trading

- (i) Listing and admission to trading: Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from/on or around 15 October 2024.
- (ii) Estimate of total expenses related to admission to trading: EUR 10,360

### 2. Ratings

- Ratings: The Notes to be issued are expected to be rated:
- Baa2 by Moody's Deutschland GmbH, Frankfurt am Main ("**Moody's**"),
  - A- by Fitch Ratings Ireland Limited ("**Fitch**") and
  - A by DBRS Ratings GmbH ("**DBRS**").

According to Moody's' definitions, obligations rated 'Baa' are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. The modifier 2 indicates a mid-range ranking.

According to Fitch's definitions, 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. The modifier "-" is appended to denote relative status within major rating categories.

According to DBRS' definitions, 'A' rating means good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. may be vulnerable to future events, but qualifying negative factors are considered manageable. All rating categories other than AAA and D also contain subcategories (high) and (low).

Each of Moody's, Fitch and DBRS is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Moody's, Fitch and DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with such Regulation

### 3. Interests of Natural and Legal Persons Involved in the Issue

Save for the fees payable to the Managers so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

#### 4. Reasons for the Offer and Estimated Net Proceeds

- (i) Reasons for the offer: See "Use of Proceeds" section in the Base Prospectus
- (ii) Estimated net proceeds: SGD 548,075,000

#### 5. Operational Information

- (i) ISIN: FR001400TA19
- (ii) Common Code: 291971121
- (iii) CFI: DTFUGB
- (iv) FISN: BNP PARIBAS/3.950 MTN 20350415
- (v) Any clearing system(s) other than Euroclear France Euroclear and Clearstream, Luxembourg approved by the Issuer and the Principal Paying Agent and the relevant identification number(s): Not applicable
- (vi) Delivery: Delivery free of payment
- (vii) Additional Paying Agent(s) (if any): Not applicable
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended to be issued with a central bank or an eligible securities settlement system and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
- (ix) Name and address of Registration Agent: Not applicable

#### 6. Fixed Rate Notes only – Yield

- Indication of yield: 3.950 per cent. *per annum* up to the First Reset Date
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

#### 7. EU Benchmarks Regulation:

- EU Benchmarks Regulation: Article 29(2) statement on benchmarks: Not applicable

## ANNEX

### Disclosure regarding Qualifying Debt Securities Tax

*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 Inland Revenue Authority of Singapore (“IRAS”) and the Monetary Authority of Singapore (the “MAS”) in force as at the date of Final Terms 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 1947 of Singapore, as amended or modified from time to time (the “ITA”) and redemption premium (as such term has been amended by the ITA). These laws, guidelines and circulars are also subject to various interpretations and no assurance can be given that the relevant tax authorities or the courts will agree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Final Terms are intended or are to be regarded as advice on the tax position of any holder of the SGD 550,000,000 Resettable Subordinated Tier 2 Notes due April 2035 (the “Notes”) under the Euro Medium Term Note Programme or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. 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 subscribe for, purchase, own or dispose of the Notes 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. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. The statements also do not consider any specific facts or circumstances that may apply to any particular purchaser. Holders and prospective holders of the Notes are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Managers and any other persons involved in the issue of the Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.*

#### 1. QUALIFYING DEBT SECURITIES SCHEME

Debt securities that are issued on or after 15 February 2023 must be substantially arranged in Singapore by specified licensed persons in order to satisfy the requirement to be QDS for the purposes of the ITA. Each of DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited, Standard Chartered Bank (Singapore) Limited, United Overseas Bank Limited and Bank of China Limited, Singapore Branch is a specified licensed person. Where the Notes are issued on or before 31 December 2028 and more than half of the Notes are distributed by specified licensed persons, the Notes issued as debt securities would be qualifying debt securities for the purposes of the ITA, to which the following treatment shall apply, subject to certain conditions having been fulfilled (including the furnishing of a return on debt securities to the MAS in respect of the Notes within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the “Qualifying Income”) from the Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10 per cent. (except for holders of the relevant financial sector incentive(s) who may be taxed at different rates).

Where interest, discount income, early redemption fee or redemption premium is derived from any of the Notes by any person who (i) is not resident in Singapore and (ii) 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 ITA shall not apply if such person acquires such Notes 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 Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

However, notwithstanding the foregoing:

- (A) if during the primary launch of the Notes, the Notes are issued to fewer than four persons and 50 per cent. or more of the issue of such Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Notes would not qualify as "qualifying debt securities"; and
- (B) even though the Notes are "qualifying debt securities", if at any time during the tenure of such Notes, 50 per cent. or more of the issue of such Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Notes held by:
  - (i) any related party of the Issuer; or
  - (ii) any other person where the funds used by such person to acquire such Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for concessionary rate of tax as described above.

The term "**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.

For the purposes of the ITA and/or this Singapore tax disclosure:

- (a) "**early redemption fee**" means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities;
- (b) "**redemption premium**" means, in relation to debt securities and qualifying debt securities, 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) "**specified licensed persons**" means any of the following persons:
  - (i) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;
  - (ii) a finance company licensed under the Finance Companies Act 1967 of Singapore;
  - (iii) a person who holds a capital markets services licence under the Securities and Futures Act 2001 of Singapore to carry on a business in any of the following regulated activities:
    - (A) advising on corporate finance; or
    - (B) dealing in capital markets products; or
- (iv) such other person as may be prescribed by rules made under Section 7 of the ITA.

## 2. GAINS ON DISPOSAL OF NOTES

Any gains considered to be in the nature of capital made from the sale of the Notes will generally not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature. In addition, any foreign-sourced disposal gains received in Singapore from outside Singapore from the sale of the Notes that occurs on or after 1 January 2024 by an entity of a multinational group that does not have adequate economic substance in Singapore may be taxable as further described in Section 10L of the ITA.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 (“**FRS 39**”), Financial Reporting Standard 109 - Financial Instruments (“**FRS 109**”) or Singapore Financial Reporting Standard (International) 9 (Financial Instruments) (“**SFRS(I) 9**”) (as the case may be) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “*Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes*”.

## 3. ADOPTION OF FRS 39, FRS 109 OR SFRS(I) 9 TREATMENT FOR SINGAPORE INCOME TAX PURPOSES

Section 34A of the ITA requires taxpayers who adopt or are required to adopt FRS 39 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 39, subject to certain exceptions provided in that section and certain “opt-out” provisions. The IRAS has also issued an e-tax guide entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement” to provide guidance on the Singapore income tax treatment of financial instruments.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who adopt or who are required to adopt FRS 109 or SFRS(I) 9 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 provided in that section. The IRAS has also issued an e-tax guide entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 tax regime, FRS 109 tax regime or the SFRS(I) 9 tax regime should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

## 4. ESTATE DUTY

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.