

## Annex B – Template of Debt Securities PHS

Prepared on: [DD/MM/YY]

### NAME OF OFFER

EXAMPLE: OFFER OF [TYPE OF SECURITIES] IN [NAME OF ISSUER]

*Investment in [type of securities] involves a high degree of risk. Prior to making a decision to invest in our Securities, you should carefully consider all the information contained in the [Prospectus/Offer Information Statement]. Investors would be subject to various risks and uncertainties, including the potential loss of the entire principal amount invested. If you are in doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.*

This Product Highlights Sheet is an important document.

- It highlights the key information and risks relating to the offer of our Securities and complements the [Prospectus/Offer Information Statement]<sup>1</sup>.
- It is important to read the [Prospectus/Offer Information Statement] before deciding whether to invest in our Securities. If you do not have a copy, please contact us to ask for one.
- You should not invest in our Securities if you do not understand the nature of an investment in [type of securities], our business or are not comfortable with the accompanying risks.
- If you wish to invest in our Securities, you will need to make an application in the manner set out in the [Prospectus/Offer Information Statement].

Issuer	[•]	Place of Incorporation	[•]
Issue Price	[•] <b>Example:</b> S\$[•] per S\$[•] in principal amount of the Bonds.  The Bonds will be issued in registered form in denominations of S\$[•] each.	Total amount raised in this offer	[•] <b>Example:</b> <ul style="list-style-type: none"><li>• Gross proceeds – S\$[•] to S\$[•]</li><li>• Net proceeds – S\$[•] to S\$[•]</li></ul>
Investment type	[•] <b>Example:</b> [•]-year senior bonds with semi-annual interest payments of [•]% per annum maturing on [date] (the “Bonds”).	Listing Status	[•] <b>Example:</b> <ul style="list-style-type: none"><li>• Issuer - Primary Listing on the Mainboard of SGX-ST since [date]</li><li>• Debentures – To be listed on the Mainboard of SGX-ST from [date]. Trading will be in board lots of SGD [•] in principle amount.</li></ul>
Issue Manager(s)	[•]	Underwriter(s)	[•]

<sup>1</sup> The [Prospectus/Offer Information Statement] is available for collection at [time and place] or accessible at [web address, if applicable].

Trustee	[•]	Registrar	[•]
INVESTMENT SUITABILITY			
<p><b>WHO IS THE INVESTMENT SUITABLE FOR?</b></p> <ul style="list-style-type: none"> <li>• <i>This investment is <u>only</u> suitable for investors who:</i> <ul style="list-style-type: none"> <li>○ <i>[State return objectives (e.g. capital growth/income/capital preservation) which the investment will be suitable for]</i></li> <li>○ <i>[State if the principal will be at risk]</i></li> <li>○ <i>[State how long investors should be prepared to hold the investment for]</i></li> <li>○ <i>[State other key characteristics of the product which will help investors determine whether the investment is suitable for them]</i></li> </ul> </li> </ul> <p><b>Example:</b></p> <ul style="list-style-type: none"> <li>• The Bonds are <u>only</u> suitable for investors who: <ul style="list-style-type: none"> <li>○ want regular income at a fixed rate;</li> <li>○ want priority in payouts over share dividends; and</li> <li>○ are prepared to exit the Bonds by sale in the secondary market which may be unprofitable or impossible.</li> </ul> </li> </ul>		<p><u>Further Information</u></p> <p>Refer to the “[<i>relevant section</i>]” on page(s) [•] of the [<i>Prospectus/Of fer Information Statement</i>] for more information on investment suitability.</p>	
KEY FEATURES			
Background information on the Issuer			
<p><b>WHAT ARE YOU INVESTING IN?</b></p> <p><i>[Provide a brief overview of the Issuer and its subsidiaries (the “Group”), including the nature of the Group’s operations and principal activities, main markets, principal place of operations, operational and management track record and identity of the Issuer’s controlling shareholder(s). State key features of the securities offered including, where applicable, (a) the face value, and the discount/premium the securities are offered at; (b) yield, redemption prices, interest rates; (c) dates of payment of interest and repayment of principal amount; (d) arrangements for redemption of the securities e.g. whether at option of securities holder; (e) description of any subordination or seniority of the securities to other debts of the entity; (f) particulars of any security, guarantee or commitment intended to ensure that the issue will be duly serviced with regard to both the principal sum and interest payable on the securities; (g) material covenants; (h) where the securities will not be listed and traded on a securities exchange, information on how and when investors could exit their investments; and (i) any other pertinent information which should be highlighted to investors.]</i></p> <p><b>Example:</b></p> <p>We are engaged in the business of [<i>principal business</i>] in [<i>country</i>]. Our Company was incorporated in [<i>year</i>] by our founding shareholders in [<i>country</i>]. We operate principally in [<i>country</i>]. Our board of directors comprise the following directors:</p> <ul style="list-style-type: none"> <li>(a) Director A</li> <li>(b) Director B</li> <li>(c) Director C</li> <li>(d) Director D</li> <li>(e) Director E</li> </ul> <p>Director C, Director D and Director E are our independent directors.</p> <p>Our key executive officers are [<i>names of executive officers</i>].</p>		<p>Refer to –</p> <ul style="list-style-type: none"> <li>• “[<i>relevant section</i>]” on page(s) [•] of the [<i>Prospectus/Of fer Information Statement</i>] for more information on our business</li> <li>• “[<i>relevant section</i>]” on page(s) [•] of the [<i>Prospectus/Of fer Information Statement</i>] for more information on our directors and controlling shareholders</li> <li>• “[<i>relevant section</i>]” on page(s) [•] of the [<i>Prospectus/Of fer Information</i></li> </ul>	

Our controlling shareholders are [names of controlling shareholders] who hold [●]% and [●]% respectively of the Company.

We are offering up to S\$[●] million in aggregate principal amount of bonds to the public in Singapore. The Bonds are issued pursuant to the [name of bond issuance programme]. The issue price is S\$[●] per S\$[●] in principal amount of the Bonds. The Bonds will bear interest from [issue date] to [maturity date] at a rate of [●]% per annum payable semi-annually on arrears on [date] and [date] each year.

The Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Group. The Bonds shall at all times rank equally among themselves and equally with all other present and future unsecured obligations. We have previously issued S\$[●] of [●]% unsubordinated debentures on [date].

Statement] for more information on our Securities.

### Key Financial Information

*[Provide key profit and loss data (including net sales/revenue, profit or loss before tax, net profit or loss, and earnings or loss per share before and after the offer) and cash flows data (operating, financing and investing cash flows) in respect of each financial year and any interim period for which financial information has been included in the Prospectus or Offer Information Statement. Briefly discuss the significant factors, events or new developments which materially affected the Issuer's sales/revenue, expenses and profit or loss before tax for each financial period. Provide also key balance sheet data (including total assets, total liabilities, net assets or liabilities and issued capital and reserves) as at the end of the most recent completed financial year or any subsequent interim period for which financial information has been included. In addition, include selected profit forecast or estimate information if a profit forecast or estimate is disclosed in the Prospectus or Offer Information Statement.]*

Refer to the "[relevant section]" on page(s) [●] of the [Prospectus/Offer Information Statement] for more information on our financial performance.

#### Example:

#### Key profit and loss information

	Year ended 31 December		
	[Year]	[Year]	[Year]
	S\$('000)	S\$('000)	S\$('000)
Net revenue	[●]	[●]	[●]
Profit/ (loss) before tax	[●]	[●]	[●]
Profit/ (loss) after tax	[●]	[●]	[●]
Profit/ (loss) after tax including discontinued operations	[●]	[●]	[●]
Earnings/ (loss) per share – Basic	[●]	[●]	[●]
Earnings/ (loss) per share - Diluted	[●]	[●]	[●]

**Key cash flows information**

	Year ended 31 December	
	[Year]	[Year]
	S\$('000)	S\$('000)
Net cash generated from operating activities	[•]	[•]
Net cash used in investing activities	[•]	[•]
Net cash generated from financing activities	[•]	[•]
Net increase/(decrease) in cash and cash equivalents	[•]	[•]
Cash and cash equivalents at end of year/period	[•]	[•]

**Key balance sheet information**

	Year ended 31 December	
	[Year]	[Year]
	S\$('000)	S\$('000)
Total assets	[•]	[•]
Total liabilities	[•]	[•]
Net assets/(liabilities)	[•]	[•]

The key factors contributing to our Group's financial performance over the last two completed financial years are as follows:

- Our revenue for [year] increased by S\$[•] million ([•]%) due to an increase in sales volume contributed by our introduction of our new product in [year].
- Our net profit from operations in [year] was S\$[•] million, which is [•]% higher than our net profit from operations of S\$[•] million in [year]. This was mainly attributable to lower finance costs of S\$[•] million due to lower interest rates and lower loan principals.
- Our net cash generated from operating activities decreased by S\$[•] million from S\$[•] million in [year] to S\$[•] million in [year] due to an increase credit sales that contributed to an increase in trade receivables of S\$[•] million from S\$[•] million in [year] to S\$[•] million in [year].
- Our net assets increased by S\$[•] million from S\$[•] million in [year] to S\$[•] million in [year] mainly due to the S\$[•] million increase in inventories for our new produced introduced in [year].

**Trends and Prospects**

*[Briefly discuss the Group's business and financial prospects and any significant recent trends affecting the Group and the industries in which it operates.]*

**Example:**

**Trends and Prospects**

The gross profit of our Group's operations for the most recent completed financial year

Refer to the "[relevant section]" on page(s) [•] of the [Prospectus/Off er Information Statement] for

<p>have grown by [●]%, and are expected to continue to grow by a further [●]% primarily influenced by the following factors:</p> <ul style="list-style-type: none"> <li>• Our ability to maintain and expand our market share and revenue in [country];</li> <li>• The positive outlook of [country]'s economy;</li> <li>• Our Group's joint venture with [name of company] to enter into the [secondary business] market;</li> <li>• Our acquisition of [asset] in [year].</li> </ul>	<p>more information on trends and prospects.</p>
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**Use of Proceeds**

<p><i>[Provide information on how the net proceeds raised from the offer will be allocated to each principal intended use.]</i></p> <p><b>Example:</b></p> <p>The following represents our best estimate of the allocation of the gross proceeds expected to be raised from the Offer.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Details of utilisation</th> <th style="text-align: center;">Estimated timeframe for utilisation upon listing</th> <th style="text-align: center;">S\$ (million)</th> <th style="text-align: center;">Allocation for each S\$1.00 raised</th> </tr> </thead> <tbody> <tr> <td>Expansion of business</td> <td style="text-align: center;">Within [●] months</td> <td style="text-align: center;">[●]</td> <td style="text-align: center;">[●]</td> </tr> <tr> <td>Working capital and general corporate purposes</td> <td style="text-align: center;">Within [●] months</td> <td style="text-align: center;">[●]</td> <td style="text-align: center;">[●]</td> </tr> <tr> <td>Estimated listing expenses</td> <td style="text-align: center;">Within [●] months</td> <td style="text-align: center;">[●]</td> <td style="text-align: center;">[●]</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td style="text-align: center;">[●]</td> <td style="text-align: center;">1.00</td> </tr> </tbody> </table>	Details of utilisation	Estimated timeframe for utilisation upon listing	S\$ (million)	Allocation for each S\$1.00 raised	Expansion of business	Within [●] months	[●]	[●]	Working capital and general corporate purposes	Within [●] months	[●]	[●]	Estimated listing expenses	Within [●] months	[●]	[●]	<b>Total</b>		[●]	1.00	<p>Refer to the "[relevant section]" on page(s) [●] of the [Prospectus/Offer Information Statement] for more information on use of proceeds.</p>
Details of utilisation	Estimated timeframe for utilisation upon listing	S\$ (million)	Allocation for each S\$1.00 raised																		
Expansion of business	Within [●] months	[●]	[●]																		
Working capital and general corporate purposes	Within [●] months	[●]	[●]																		
Estimated listing expenses	Within [●] months	[●]	[●]																		
<b>Total</b>		[●]	1.00																		

**KEY RISKS**

<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></p> <p><i>[Set out the key risks which may materially affect the Group's business operations, financial performance or position, and/or the investor's investment in the Securities if they occur. If a particular risk falls into multiple categories below, it is sufficient to include the risk under one category. There is no need to repeat the risk. Securities-specific market or liquidity risks should be included under the market or liquidity risks section respectively. Where there is a risk that an investor may lose all of his initial principal investment, emphasise this with bold or italicised formatting.]</i></p> <p><b>Investing in our Securities involves substantial risks. Set out below are some of the key risks of investing in our Securities. This list is not exhaustive, and does not represent all the risks associated with, and considerations relevant to, our Securities or your decision to purchase our Securities. Please refer to the section "Risk Factors" on pages [●] to [●] of the [Prospectus/Offer Information Statement] for more information on risk factors. These risk factors may cause you to lose some or all of your investment.</b></p>	<p>Refer to the "[relevant section]" on page(s) [●] of the [Prospectus/Offer Information Statement] for more information on risks factors.</p>
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Business-Related Risks	
<p><i>[State the material business-related risks which may affect the investor's investment in the Securities e.g. risks relating to the industries within which the Group operates, any significant supplier or customer relationships, the Group's properties, assets or equipment, distribution channels, material contracts, key personnel, intellectual property, corporate structure, financing, environmental concerns, competition, any litigation which may have material impact on the Group, and legal or regulatory issues faced by the Group etc.]</i></p> <p><b>Example:</b></p> <ul style="list-style-type: none"> <li>We compete against numerous businesses in our industry that may be larger and have greater financial resources. Our ability to compete effectively depends on several factors, including our market presence, our reputation, our competitors, and general trends in the industry and economy. There is no assurance that we can compete successfully.</li> <li>A substantial proportion of our revenues is derived from several major customers. Our financial results may be seriously impacted if we lose any of these customers or they reduce their volume of business with us.</li> <li>As we are a holding company that conducts substantially all of our business through our operating subsidiaries in [country], we rely on dividends paid by our subsidiaries for our cash needs. Any restrictions on their ability to make payments to us would adversely affect our ability to fund and operate our business.</li> </ul>	
Legal, Regulatory and Enforcement Risks	
<p><i>[State the material legal, regulatory and enforcement risks which may affect the investor's investment in the Securities.]</i></p> <p><b>Example:</b></p> <ul style="list-style-type: none"> <li>We are appealing to [name of authority] on a ruling against our Group regarding a tax dispute between the [inland revenue authority of country] and our Group from our operations in [country]. In the event that the appeal is not successful, we may be potentially liable to a fine of up to S\$[•] which could materially and adversely affect our business and results of operations.</li> </ul>	
Market and Credit Risks	
<p><i>[State the market risks (including currency risks) and credit risks which may affect the traded price of the Securities.]</i></p> <p><b>Example:</b></p> <ul style="list-style-type: none"> <li>The Bonds are subject to interest rate risk as the Bonds bear a fixed rate of interest. Subsequent changes in market interest rates may adversely impact the value of the Bonds.</li> <li>We may issue additional securities with identical terms that may adversely affect the market price of the original Bonds.</li> </ul>	
Liquidity Risks	
<p><i>[State the risks that an investor would face in trying to exit his investment in the Securities.]</i></p> <p><b>Example:</b></p>	

- There is no prior market for the Bonds and an active trading market may not develop. While an application has been made for admission to trading the Bonds on the SGX-ST, there can be no assurance that a liquid market will develop for the Bonds and that holders of the Bonds will be able to sell their Bonds at a price that reflects their value, if at all.

### Other Pertinent Risks

*[State any other pertinent risks that have not been highlighted in the foregoing sections.]*

**Example:**

- We may elect to prepay the Bonds under certain circumstances in the amount of 100% of the principal plus any accrued interest. You may not realise interest payments extending to the maturity date.

### DEFINITIONS

*[Provide definitions if necessary.]*

### CONTACT INFORMATION

**HOW DO YOU CONTACT US?**

*[Provide contact details of Issuer, distributor(s)/underwriter(s) and/or issue manager(s) whom investors can contact if they have enquiries. Include a website address and email address, if appropriate.]*