

The Public Offer (referred to below) is only for investors in Singapore and not elsewhere. See selling restrictions included herein.

GREEN SGS (INFRASTRUCTURE): AN OVERVIEW

GREEN SGS (INFRASTRUCTURE)



What is Green SGS (Infrastructure)?

- Bonds issued by the Government to finance major, long-term green infrastructure projects, e.g. Cross Island MRT Line and Jurong Region MRT Line.
- Issued under the Significant Infrastructure Government Loan Act 2021 of Singapore (“SINGA”), which contains safeguards to ensure fiscal prudence in Government borrowing for spending on nationally significant infrastructure.
- Singapore Green Bond Framework ensures that proceeds are used for projects that advance Singapore’s sustainability agenda.



Is this product suitable for me?

Carefully consider if this product meets your financial needs. Every investment bears risk and the Bonds may not be suitable for all investors.

- Green SGS (Infrastructure) are issued and fully redeemable by the Singapore Government. Singapore is rated “AAA” by all 3 international credit rating agencies.
- However, you may incur a loss if you sell the Bonds before its maturity date, as the market price of the Bonds may rise or fall with changing market conditions.
- Long-tenor bonds are more sensitive to changes in market interest rates than bonds with shorter tenors.

PRODUCT INFORMATION

Product

Approximately 50-year 3.00% fixed rate bonds issued by the Government of Singapore (the “Bonds”) (as reopening* of and consolidation with the S\$2,400,000,000 Fixed Rate Bonds due 2072 issued on 15 August 2022)

**A reopening of a SGS bond means that an additional amount of an existing bond is issued, which increases the total amount outstanding of that bond. A reopened bond has the same maturity date and coupon rate as the existing bond.*

Coupon

Fixed coupon of 3.00% per year, payable semi-annually until maturity, with the coupon paid on 1 Feb and 1 Aug.

**If the first calendar day of the month is not a business day, coupons will be paid on the first business day of the month.*

Yield

3.04% per annum

Price

S\$99.260 per S\$100 in principal amount of the Bonds (or 1 application unit). The price includes accrued interest (i.e. dirty price), if any.

Application size

1 application unit (AU) represents S\$100 in principal amount of the Bonds.

Applications must be made for a minimum of 10 AUs, and in multiples of 10 AUs (10 AUs = S\$1,000 in principal amount of the Bonds).

Double check the amount of money to be deducted before you press submit.

Issue Date

4 September 2023. Bonds will be credited to the CDP accounts of successful applicants on this date.

Maturity Date

1 August 2072. You will receive your final coupon payment and principal amount on this date.

APPLYING UNDER THE PUBLIC OFFER

Application Channels



ATMs

DBS (including POSB), OCBC, UOB



Internet Banking

DBS (including POSB), OCBC, UOB



Mobile Banking

DBS and UOB

Application Hours

DBS 24/7

Monday to Saturday: 6.30am – 9.50pm
Sunday and Public Holidays: 8.00am – 10.15pm

OCBC Daily 6 a.m. – 9.30 p.m.

Application Timelines

25 August 2023 at 9:00 a.m.: Applications open (including weekends)

Please check with your bank on the exact application hours.

29 August 2023 at 12 noon: Applications close

30 August 2023, afternoon: Bonds allotted; unsuccessful applications refunded within 24 hours after allotment of the Bonds

4 September 2023, end of day: Bonds credited to CDP accounts of successful applicants

IMPORTANT POINTS TO NOTE



Use the Electronic Securities Application/ IPO application, instead of the SGS application.



Submit one application only. Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.



Once an application has been submitted, it cannot be changed or cancelled.

CONTACT HOTLINES FOR APPLICATION QUERIES

DBS: 1800-111-1111

POSB: 1800-339-6666

OCBC: 1800-363-3333

UOB: 1800-222-2121

PRODUCT CHARACTERISTICS

What are Green SGS (Infrastructure)?

Green SGS (Infrastructure) are bonds issued under the Significant Infrastructure Government Loan Act (SINGA) to finance major, long-term green infrastructure projects.

Eligible projects funded by Green SGS (Infrastructure) must qualify as:

- Nationally significant infrastructure expenditure, pursuant to the SINGA; and
- Eligible green expenditures, pursuant to the Singapore Green Bond Framework.

Proceeds of this Green SGS (Infrastructure) issuance will be used to finance projects such as the Cross Island MRT Line and Jurong Region MRT Line, both of which are electric rail projects.

For more information on Green SGS (Infrastructure), you can visit <https://go.gov.sg/green-bonds>

What you will receive

Green SGS (Infrastructure) have similar features as other SGS.

- **Interest payment:** You will receive a fixed coupon of 3.00% per year. The coupon will be paid semi-annually* on 1 February and 1 August for the life of the Bond.
- **Maturity:** When the Bond matures on 1 August 2072, you will receive your final coupon payment as well as the principal amount of the Bond.

**In the event that the coupon payment date or maturity date falls on a day that the electronic payment system established by the Monetary Authority of Singapore is not in operation, the coupon or principal repayment will be effected on the next business day that such system is in operation. For the avoidance of doubt, Bondholders will not be entitled to further interest or other payment in this respect.*

Key risks

SGS are issued and fully redeemable by the Singapore Government. Singapore is rated “AAA” by all 3 international credit rating agencies. Nevertheless, it is important that you are aware of specific risks associated with bond investments, and carefully consider whether these are in line with your investment objectives. In particular:

Interest rate risk

- **The price of a bond will vary during its lifespan.** Bond prices and interest rates move in opposite directions. When interest rates increase, bond prices fall, and vice versa. In addition, long-tenor bonds are more sensitive to interest rate changes than bonds with shorter tenors.
- **With a tenor of approximately 50 years, this Green SGS (Infrastructure) is considered a long-tenor bond, which means that its price is more sensitive to interest rate changes compared to a shorter tenor bond.** While interest rate risk will not affect the cash payments that you receive if you hold the Bond to maturity, if you sell the Bond before it matures, you may receive less than your original investment.

Liquidity risk

- **The market for the Bonds may not be liquid if there are few interested buyers in the market.** This means that you may not be able to sell the Bonds at the desired price.

For other risk factors, see page 7 of the Offering Circular

For more information on other SGS products, including Singapore Savings Bonds, visit the MAS website at <https://go.gov.sg/mas-bonds-and-bills>.

HOW TO APPLY

Application Timeline



How to apply

Applications can be made through the following channels:

- **ATMs:** DBS (including POSB), OCBC and UOB
- **Internet banking:** DBS (including POSB), OCBC and UOB
- **Mobile banking apps:** DBS and UOB

A non-refundable administrative fee of S\$2 will be charged at the point of application.

Please note the following:

- **Application hours of the banks.**
 - DBS: 24/7
 - OCBC: 6.30am – 9.50am from Monday to Saturday; and 8.00am – 10.15pm on Sunday and Public Holidays
 - UOB: Daily 6 a.m. – 9.30 p.m.
- **Use the ESA/IPO application, not the SGS application.** On the ATM screen, internet banking website screen or mobile banking app, choose the **Electronic Securities Application (ESA)** or the **IPO application**. Do not apply through the SGS application, which is meant for SGS auctions and Singapore Savings Bonds.
- **Submit one application only.** Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.
- **You need an individual CDP account.** Applications made using joint CDP accounts will be invalid.

For step-by-step guides, refer to Appendix A of the Offering Circular

Application size

Each application unit represents S\$100 in principal amount of the Bonds. The Bonds are priced at S\$99.260 per S\$100 in principal amount of the Bonds (or 1 application unit). The price includes accrued interest (i.e. dirty price), if any.

- The minimum application size is 10 application units. Applications must be made in multiples of 10 application units (10 application units = S\$1,000 in principal amount of the Bonds).
- **Please be careful in keying in the number of application units. For example, if you key in 1,000, it means 1,000 application units = \$100,000 in principal amount of the Bonds.**

Check the amount of money to be deducted before you press submit

Source of funds

Only cash applications are accepted for this issue. CPF funds and SRS funds cannot be used for your application.

After the issuance and the listing of the Bonds, prospective investors who wish to purchase the Bonds from the secondary market using CPF funds or SRS funds may consult their relevant banks and/or stockbrokers (as applicable).

Allotment methodology

The Bonds will be allotted to as many individuals as possible, taking into account the distribution of valid applications.

- If the size of the public offer is sufficient to cover all retail applications, all valid applications will be fully allotted. Please do not apply for more Bonds than you wish to receive.
- If there are more valid applications than Bonds on offer, the Bonds will be allotted to as many individuals as possible.

The MAS reserves the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on its decision will be entertained.

Refer to the "Subscription and Sale" section of the Offering Circular

FREQUENTLY ASKED QUESTIONS

1. How do the Bonds compare with other SGS (Infrastructure) and SGS (Market Development)?

All three categories of bonds are issued and redeemable by the Singapore Government, and rank pari passu:

- SGS (Market Development), issued under the Government Securities (Debt Market and Investment) Act 1992 of Singapore, to develop the domestic debt market.
- SGS (Infrastructure), issued under the Significant Infrastructure Government Loan Act 2001 of Singapore (the “SINGA”), to finance nationally significant infrastructure.
- Green SGS (Infrastructure), issued under the SINGA, to finance nationally significant green infrastructure projects.

2. What green infrastructure projects will the Bonds finance?

Bond proceeds will be managed on a portfolio basis, and allocated to green expenditures that meet eligibility criteria set out under the SINGA and the Singapore Green Bond Framework.

- The SINGA contains safeguards on borrowings under the SINGA. There is a high bar for infrastructure projects to qualify for financing under the SINGA. These include criteria on the ownership, capital expenditure, expected useful life and purpose of the infrastructure project.
- The Singapore Green Bond Framework sets out eight categories of eligible green expenditures, including clean transportation and climate change adaptation. For more information on these categories, please refer to <https://go.gov.sg/greenbonds>.

3. Is the repayment of the Bonds linked to cashflow from particular green infrastructure projects?

No. Green SGS (Infrastructure) are not project bonds where bondholders are repaid out of the cashflows from a particular project being financed. They are issued and redeemable by the Singapore Government.

4. Why does the yield of the Bond differ from its coupon rate? Why does the issue price differ from the principal amount of the Bonds?

The yield to maturity of a bond measures the total return generated from holding a bond to maturity, including the coupon income, returns from reinvesting all coupon payments, and any capital gain or loss.

This Bond (which is a reopening of the existing bond) is issued via syndication, and accordingly has the same coupon rate of 3.00% per annum as the existing bond. If the yield is higher than the coupon rate, the issue price would be lower (i.e. the bond is sold at a slight discount to the principal amount) to account for the difference between the yield and the coupon rate.

5. Why are the application processes different from usual SGS auctions?

While SGS are usually issued via auction, this Bond (which is a reopening of the existing bond) is issued via syndication. Issuing SGS via syndication provides the Government more flexibility over the timing and size of the issuance, and provides retail investors certainty over the yield, price, and coupon of the bond before they decide whether to apply.

As syndication is similar to the corporate bond issuance process, we have opted to utilise the Electronic Securities Applications (ESA) or IPO system, which is commonly used for public offers of corporate bonds and shares.

6. How do I avoid an invalid application?

- Please ensure that you submit only one application per individual, across all banks. Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.
- Use an individual CDP account. Applications made using joint CDP accounts will be invalid.
- Ensure that your bank and CDP records match. Applications may be invalid if your NRIC/FIN/Passport number differs between bank records and CDP records.

7. Can I apply for the Bonds using CPF or SRS funds?

No, only cash applications can be accepted for the offer of the Bonds.

Investors interested to invest using their CPF funds should consult their relevant banks if they wish to purchase the Bonds from the market after completion of the offer and listing of the Bonds.

Similarly, investors with Supplementary Retirement Scheme (SRS) accounts should consult their stockbrokers and relevant banks in which they hold their SRS accounts if they wish to purchase the Bonds from the market using their SRS funds after the completion of the offer and listing of the Bonds.

8. When will funds be deducted from my account?

The application amount will be payable in full upon application.

9. Can I change or cancel my application after it is submitted?

No. Applications are final once submitted, and cannot be changed or cancelled.

10. How will I know if my application is successful?

One business day after applications close, the Bonds will be allotted to successful applicants. If your application was successful, the Bonds will be credited to you on 4 September 2023 and you may check on the status of your application by logging into the CDP internal portal after 5 p.m. on 5 September 2023.

11. If my application is unsuccessful or partially successful, when will the balance of application funds be returned?

Refunds for partially successful or unsuccessful applications will be paid to your bank account within 24 hours after allotment of the Bonds.

12. Where can I find more information on the Bonds?

You can find the Offering Circular as well as the relevant Public Notice and Pricing Notice for the Bonds [here](#).

DISCLAIMER

NOT FOR DISTRIBUTION IN THE UNITED STATES. This document is not an offer of securities for sale in the United States. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. No portion of the proposed offering is intended to be registered in the United States, and no offering is intended to be conducted in the United States.

In the European Economic Area (the “**EEA**”), this document is only directed at persons who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (EU 2017/1129) as amended (the “**Prospectus Regulation**”).

In the United Kingdom (“**UK**”), this document is directed only directed at “qualified investors” within the meaning of the UK version of Article 2(e) of the Prospectus Regulation as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended, who are also persons (i) that have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (ii) falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Order or (iii) to whom this document may otherwise be directed without contravention of Section 21 of the Financial Services and Markets Act 2000, as amended (all such persons together being referred to as “**relevant persons**”). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. MiFID II and UK MiFIR – professionals/ECPs-only / No PRIIPs or UK PRIIPs KID – Manufacturer target market (MiFID II and UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs or UK PRIIPs key information document (KID) has been prepared as not available to retail in EEA or UK.