IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the preliminary information memorandum following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of this preliminary information memorandum. In accessing this preliminary information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE NOTES ARE BEING OFFERED OR SOLD ONLY OUTSIDE THE UNITED STATES TO CERTAIN PERSONS IN OFFSHORE TRANSACTIONS IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT AND THE LAWS OF THE JURISDICTION IN WHICH THOSE OFFERS AND SALES OCCUR. THIS PRELIMINARY INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY INFORMATION MEMORANDUM 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. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED IN THIS PRELIMINARY INFORMATION MEMORANDUM.

Confirmation of your Representation: In order to be eligible to view this preliminary information memorandum or make an investment decision with respect to the notes, investors must not be U.S. persons (within the meaning of Regulation S under the Securities Act). This preliminary information memorandum is being sent at your request and by accepting the e-mail and accessing this preliminary information memorandum, you shall be deemed to have represented to (i) Clifford Capital Holdings Pte. Ltd. (the "**Issuer**'), (ii) The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, J.P. Morgan Securities Asia Private Limited and Standard Chartered Bank (Singapore) Limited (the "**Joint Global Coordinators**") and (iii) DBS Bank Ltd., Société Générale, SMBC Nikko Securities (Hong Kong) Limited and UBS AG Singapore Branch (together with the Joint Global Coordinators, the "**Joint Lead Managers**") that (1) you are not a U.S. person nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and, to the extent you purchase any notes described in this preliminary information memorandum, you will be doing so pursuant to Regulation S under the Securities Act and (2) you consent to delivery of such preliminary information memorandum and any amendments and supplements thereto by electronic transmission.

By accepting this document and accessing this preliminary information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either (i) an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) 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)

Regulations 2018 of Singapore, and (B) agree to be bound by the limitations and restrictions described herein. 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.

You are reminded that this preliminary information memorandum has been delivered to you on the basis that you are a person into whose possession the attached preliminary information memorandum may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver this preliminary information memorandum, electronically or otherwise, to any other person.

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. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the dealers or any affiliate 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 Clifford Capital Holdings Pte. Ltd. in such jurisdiction.

This preliminary information memorandum 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 Joint Global Coordinators or the Joint Lead Managers or any person who controls any of them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the preliminary information memorandum distributed to you in electronic format and the hard copy version available to you on request. 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.

CLIFFORD CAPITAL HOLDINGS PTE. LTD.

(incorporated with limited liability in Singapore with Company Registration No. 201937096E)

U.S.$500,000,000 3.97 per cent. Notes due 2028 (the "Notes")

Issue Price: 100.0 per cent.

Clifford Capital Holdings Pte. Ltd. (the "**Issuer**", the "**Company**" or "**Clifford Capital**") is offering US$500,000,000 in aggregate principal amount of the Notes.

The Notes will be issued pursuant to a trust deed (the "**Trust Deed**") dated on or about 30 September 2025 (the "**Issue Date**"), made between the Issuer and The Hongkong and Shanghai Banking Corporation Limited as trustee (the "**Trustee**"). The Notes will mature on 30 September 2028 and bear interest from and including the Issue Date at the rate of 3.97 per cent. per annum, payable in equal instalments semi-annually in arrear on 30 March and 30 September of each year, commencing on 30 March 2026.

The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

For a more detailed description of the Notes, see the section entitled "*Terms and Conditions of the Notes*'' beginning on page 25.

An investment in the Notes involves certain risks. For a discussion of these risks, see "*Risk Factors*".

Approval in-principle has been received for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of Clifford Capital or its subsidiaries or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Information Memorandum.

The Notes will be represented on issue by a permanent global certificate in fully registered form, without interest coupon or principal receipts (the "Global Certificate") deposited with, and registered in the name of, a common depositary (or a nominee thereof) for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**''). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, the records maintained by Euroclear and Clearstream and their respective accountholders. Except as described herein, certificates for the Notes will not be issued in exchange for beneficial interests in the Global Certificate. It is expected that delivery of the Global Certificate will be made on 30 September 2025 or such later date as may be agreed by the Issuer, the Joint Global Coordinators and the Joint Lead Managers.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons ("**U.S. Persons**", as defined in Regulation S under the Securities Act ("**Regulation S**")) unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Accordingly, the Notes are being offered and sold only to non-U.S. Persons in offshore transactions as defined in and in reliance on Regulation S. See "*Form of the Notes*" for a description of the manner in which Notes will be issued. The Notes are subject to certain restrictions on transfer, see "*Subscription and Sale*".

The Notes are expected to be rated "AAA'' by Fitch and "Aa+" by S&P. Such ratings of the Notes do not constitute any recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time.

Joint Global Coordinators

HSBC

J.P.Morgan

standard chartered

Joint Lead Managers

DBS

HSBC

J.P.Morgan

SMBC

SMBC NIKKO

SOCIETE GENERALE

standard chartered

UBS

The date of this Information Memorandum is 23 September 2025.

Clifford Capital accepts responsibility for the information contained in this Information Memorandum. To the best of the knowledge of Clifford Capital (having taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*". This Information Memorandum must be read and construed together with any amendments or supplements hereto.

The only persons authorised to use this Information Memorandum in connection with an offer of Notes are the persons named herein as the Joint Global Coordinators and the Joint Lead Managers.

None of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent (as defined below), the Transfer Agent (as defined below) or the Registrar (as defined below) has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar as to the accuracy or completeness of the information contained or incorporated in this Information Memorandum or any other information provided by Clifford Capital in connection with the Notes. None of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar accepts any liability in relation to the information contained in this Information Memorandum or any other information provided by Clifford Capital in connection with the Notes. To the fullest extent permitted by law, none of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar accepts any responsibility for the contents of this Information Memorandum or for any other statement made or purported to be made by the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar or on their behalf in connection with Clifford Capital or the issue and offering of the Notes. Each of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent and the Registrar accordingly disclaims all and any liability, whether arising in tort or contract or otherwise which it might otherwise have in respect of this Information Memorandum or any such statement.

No person is or has been authorised by Clifford Capital, any of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by Clifford Capital, any of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar.

Neither this Information Memorandum nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by Clifford Capital, any of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar that any recipient of this Information Memorandum or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of Clifford Capital. Neither this Information Memorandum nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of Clifford Capital, any of the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Information Memorandum nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning Clifford Capital is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent and the Registrar expressly do not undertake to review the financial condition or affairs of Clifford Capital during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

The Notes have not been and will not be registered under the Securities Act. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons (see "*Subscription and Sale*"). Accordingly, the Notes are being offered and sold only to non-U.S. Persons in offshore transactions as defined in and in reliance on Regulation S.

The Notes 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 have any of the foregoing authorities passed upon or endorsed the merits of any offering of notes or the accuracy or the adequacy of this Information Memorandum. Any representation to the contrary is a criminal offence in the United States.

This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Information Memorandum and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Clifford Capital, the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent and the Registrar do not represent that this Information Memorandum may be lawfully distributed, or that any Notes 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 Clifford Capital, the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar which is intended to permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum 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 Information Memorandum or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Information Memorandum and the offering and sale of the Notes. In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of the Notes in the United States, the European Economic Area (including France and Italy) (the "**EEA**"), the United Kingdom (the "**UK**"), Japan, Hong Kong, Singapore, Korea, Malaysia and the People's Republic of China ("**PRC**"), see "*Subscription and Sale*".

PRESENTATION OF INFORMATION

The audited financial statements for FY2022, FY2023 and FY2024 included in this Information Memorandum have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") and International Financial Reporting Standards ("**IFRSs**"). SFRS(I)s are issued by the Accounting Standards Council, and comprise standards and interpretations that are equivalent to IFRSs issued by the International Accounting Standards Board.

All references to SFRS(I)s and IFRSs are hereafter referred to as "**SFRS(I)**" in this Information Memorandum unless otherwise specified.

In this Information Memorandum, references to:

- "**Clifford Capital**" refer to Clifford Capital Holdings Pte. Ltd.
- "**Clifford Capital Board**" refers to the board of directors of Clifford Capital;
- "**Clifford Capital ExCo**" refers to the executive committee of Clifford Capital;
- "**Clifford Capital Group**" or "**Group**" refer to Clifford Capital together with its consolidated subsidiaries. As at the date of this Information Memorandum, the subsidiaries of Clifford Capital include (among others) Clifford Capital Credit Solutions Pte. Ltd. (formerly Clifford Capital Pte. Ltd.) ("**CCCS**"), Clifford Capital Asset Finance Pte. Ltd. (formerly Bayfront Infrastructure Management Pte. Ltd.) ("**CCAF**") and Clifford Capital Asset Management Pte. Ltd. ("**CCAM**");
- "**US dollars**", "**U.S. dollars**", "**US$**" and "**U.S.$**" refer to United States dollars; and
- "**FY**" refer to the respective financial years of Clifford Capital ended 31 December.

Any discrepancies in any table or chart between totals and sums of the amounts listed are due to rounding.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum, statements made in press releases and oral statements that may be made by Clifford Capital or its officers, directors or employees acting on Clifford Capital's behalf that are not statements of historical fact constitute "forward-looking statements". All statements other than statements of historical facts included in this Information Memorandum, including, without limitation, those regarding the financial position of Clifford Capital Group, business strategy plans and objectives of management for future operations, are forward-looking statements.

Prospective investors can identify some of these forward-looking statements by terms such as will, would, aim, aimed, is likely, are likely, believe, expect, expected to, will continue, anticipated, estimate, estimating, intend, plan, seeking to, future, objective, should, can, could, may or similar words. However, investors should note that these words are not the exclusive means of identifying forward-looking statements.

All statements regarding Clifford Capital's or Clifford Capital Group's expected financial position, business strategy, plans and prospects are forward-looking statements. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause Clifford Capital's or Clifford Capital Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements.

All forward-looking statements speak only as at the date of this Information Memorandum. Given the risks and uncertainties that may cause Clifford Capital's or Clifford Capital Group's actual future results, performance or achievements to be materially different than expected, expressed or implied by the forward-looking statements in this Information Memorandum, prospective investors are advised not to place undue reliance on those statements. Clifford Capital makes no representation or warranty that its actual future results, performance or achievements, or that of Clifford Capital Group's, will be as discussed in those statements. Clifford Capital expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Clifford Capital's expectations with regard thereto or any change of events, conditions or circumstances on which any such statement was based.

NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA

This Information Memorandum has been prepared on the basis that any offer of Notes in any member state of the European Economic Area (the "**EEA**" will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**")) from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in a Member State of the EEA of Notes that are the subject of an offering contemplated in this Information Memorandum may only do so in circumstances in which no obligation arises for the Issuer, the Joint Global Coordinators or the Joint Lead Managers to publish a prospectus pursuant to the Prospectus Regulation in relation to such offer. This Information Memorandum is not a prospectus for the purpose of the Prospectus Regulation.

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 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, 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 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.

This Information Memorandum has been sent to you in the belief that you are (a) a person in member states of the EEA that is a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation and (b) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must return or, in the case of an electronic transmission, delete the document immediately.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE NOTES MUST NOT BE OFFERED OR SOLD AND THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE NOTES MUST NOT BE ISSUED OR PASSED ON TO PERSONS IN THE UNITED KINGDOM EXCEPT TO PERSONS WHO: (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE PERSONS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (the "**FSMA**") (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER"); OR (II) ARE PERSONS FALLING WITHIN

ARTICLE 49(2) (a) TO (d) OF THE ORDER; OR (III) ARE PERSONS TO WHOM THIS INFORMATION MEMORANDUM OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE ISSUED OR PASSED ON (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

A PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS INFORMATION MEMORANDUM OR ANY OF ITS CONTENTS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS INFORMATION MEMORANDUM RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

This Information Memorandum has been prepared on the basis that any offer of Notes in the United Kingdom will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (as amended, the "**UK Prospectus Regulation**") from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in the United Kingdom of Notes that are the subject of an offering contemplated in this Information Memorandum may only do so in circumstances in which no obligation arises for the Issuer, the Joint Global Coordinators or the Joint Lead Managers to publish a prospectus pursuant to the UK Prospectus Regulation in relation to such offer. This Information Memorandum is not a prospectus for the purpose of the UK Prospectus 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 (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 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 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 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.

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

Prospective investors should be aware that certain intermediaries in the context of this offering of the Notes, including certain of the Joint Global Coordinators and the Joint Lead 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, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes 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). If a prospective investor is an asset management arm affiliated with any relevant Joint Global Coordinator or relevant Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Joint Global Coordinator, the relevant Joint Lead 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 relevant Joint Global Coordinator or any relevant Joint Lead 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 Joint Global Coordinator or relevant Joint Lead 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 such 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 relevant Joint Global Coordinators, the relevant Joint Lead 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.

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In connection with this offering, any of the Joint Global Coordinators or the Joint Lead Managers appointed as and acting in its capacity as the stabilising manager (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes 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 Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

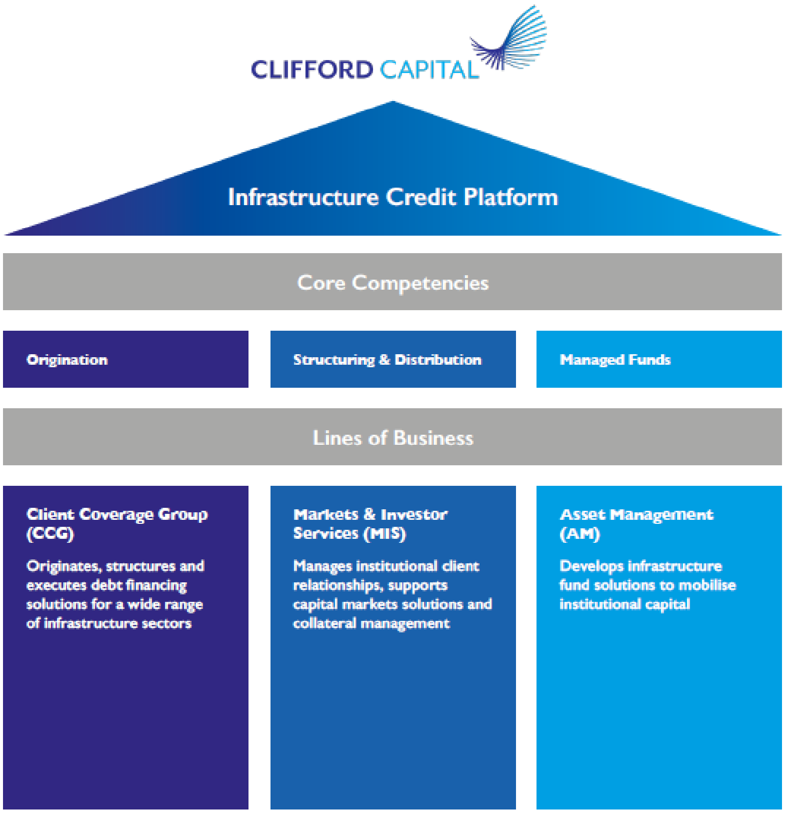
SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information and financial statements contained or referred to elsewhere in this Information Memorandum, including the sections "Risk Factors" and "Description of Clifford Capital and Clifford Capital Group".

CLIFFORD CAPITAL GROUP

Headquartered in Singapore, Clifford Capital Holdings Pte. Ltd. ("**Clifford Capital**") and its subsidiaries (collectively known as "**Clifford Capital Group**" or the "**Group**") is an infrastructure credit platform specialising in originating, structuring, managing, distributing and investing in infrastructure debt globally. The Group operates across three lines of business:

1. Client Coverage Group ("**CCG**") focuses on corporate client borrowing needs, structuring complex credit financing solutions, and deploying the Group's balance sheets effectively.
2. Markets and Investor Services ("**MIS**") serves institutional clients, partners with banks, structures and distributes infrastructure asset backed securities ("**IABS**"), and undertakes collateral and portfolio management of the Group's credit assets across different pools of capital.
3. Asset Management ("**CCAM**") focuses on managing third-party capital in infrastructure credit through separately management accounts ("**SMAs**") as well as funds.



Founded in 2012 with support from the Government of Singapore, Clifford Capital Group aims to deliver on certain key policy mandates including: (i) to catalyse the growth of Singapore-based companies in overseas markets by addressing cross-border financing gaps and (ii) to mobilise institutional capital into infrastructure markets globally and facilitate capital recycling by banks. In view of these policy mandates, Clifford Capital Group, through two of its Group entities – Clifford Capital Credit Solutions Pte. Ltd. (formerly known as Clifford Capital Pte. Ltd.) ("**CCCS**") and Clifford Capital Asset Finance Pte. Ltd. (formerly known as Bayfront Infrastructure Management Pte. Ltd.) ("**CCAF**"), together benefit from an aggregate amount of US$5.9 billion in guarantees from the Government of Singapore.

Since its inception in 2012, Clifford Capital Group has demonstrated a strong and sustained growth in innovative financing solutions for its corporate and institutional clients across a wide range of infrastructure sectors. As of 31 December 2024, the Clifford Capital Group has US$4.8 billion of assets under management ("**AUMs**").

IABS is Clifford Capital Group's flagship capital markets product. Clifford Capital Group pioneered the IABS product in July 2018 through Bayfront Infrastructure Capital Pte. Ltd. ("**Bayfront**"), which was the first ever securitisation of infrastructure debt in Asia. Since the first Bayfront transaction, Clifford Capital Group has established itself as a programmatic issuer of IABS and has raised more than US$2.7 billion across public issuances as of the date of this Information Memorandum.

Clifford Capital is the holding company for the businesses of Clifford Capital Group. A substantial part of Clifford Capital's assets are shareholdings in its subsidiaries. In addition, certain assets are booked on Clifford Capital's balance sheet, comprising primarily assets held by Clifford Capital prior to injection into the issuing vehicles of IABS issuances, assets targeted for the Asset Management business and Clifford Capital's investment in the equity tranches of, amongst others, IABS transactions and co-investments in CCAM managed funds as well as liquid bonds for asset and liability management.

As at the date of this Information Memorandum, Clifford Capital carries long-term issuer ratings of AAA/Stable from Fitch Ratings ("**Fitch**"), AA+/Stable from S&P Global Ratings (a division of S&P Global Inc.) ("**S&P**") and Aa1/Stable from Moody's ("**Moody's**"), as well as short-term issuer ratings of F1+, A-1+ and P-1 from Fitch, S&P and Moody's, respectively.

As at the date of this Information Memorandum, Clifford Capital's share capital is held by a group of shareholders comprising Kovan Investments Pte. Ltd. ("**Kovan**") (44.0%), Aranda Investments Pte. Ltd. ("**Aranda**") (2.9%), Prudential Assurance Company Singapore (Pte) Limited (14.6%), the Asian Development Bank ("**ADB**") (7.9%), Standard Chartered Bank (Singapore) Limited (9.9%), Sumitomo Mitsui Banking Corporation (8.5%), DBS Bank Ltd. (6.1%) and Manulife (Singapore) Pte. Ltd. (6.1%). Kovan and Aranda are wholly-owned investment holding vehicles of Temasek.

THE OFFERING

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Information Memorandum. For a more complete understanding of the Notes, see "Terms and Conditions of the Notes".

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this summary.

Issuer:	Clifford Capital Holdings Pte. Ltd.
Risk Factors:	There are certain factors that may affect Clifford Capital's ability to fulfil its obligations under the Notes. These are set out under "*Risk Factors*" below. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Notes. These are set out under "*Risk Factors*" below.
Notes:	U.S.$500,000,000 3.97 per cent. Notes due 2028
Issue Price:	The Notes will be issued at 100.0 per cent. of their principal amount.
Maturity:	30 September 2028
Issue Date:	30 September 2025
Joint Global Coordinators:	The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
	J.P. Morgan Securities Asia Private Limited
	Standard Chartered Bank (Singapore) Limited
Joint Lead Managers:	DBS Bank Ltd.
	The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
	J.P. Morgan Securities Asia Private Limited
	SMBC Nikko Securities (Hong Kong) Limited
	Société Générale
	Standard Chartered Bank (Singapore) Limited
	UBS AG Singapore Branch
Trustee:	The Hongkong and Shanghai Banking Corporation Limited
Principal Paying Agent:	The Hongkong and Shanghai Banking Corporation Limited
Registrar and Transfer Agent:	The Hongkong and Shanghai Banking Corporation Limited

Status of the Notes:	The Notes are direct, unconditional, unsubordinated and unsecured obligations of Clifford Capital and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of Clifford Capital, from time to time outstanding.
Form of and Denomination of Notes:	The Notes will be issued in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. The Notes will be represented upon issue by a Global Certificate, in fully registered form, without interest coupons or principal receipts, deposited with, and registered in the name of a common depositary (or a nominee thereof) for Euroclear and Clearstream. Beneficial interests in the Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream. See "*Form of the Notes*" and "*Clearing and Settlement*". Interests in any Note may not at any time be held by any U.S. Person or U.S. resident. Except in the limited circumstances described herein, the Notes in definitive certificated form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests the Global Certificate. See "*Form of the Notes – Exchange for Definitive Certificates*".
Interest:	The Notes bear interest from and including the Issue Date at the rate of 3.97 per cent. per annum, payable in equal instalments semi-annually in arrear on 30 March and 30 September of each year, commencing on 30 March 2026.
Final Redemption:	Save to the extent previously redeemed in full or purchased and cancelled, the Notes will be redeemed on the Maturity Date at their redemption price, being 100.0 per cent. of the aggregate principal amount outstanding at that time thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption.
Redemption for tax reasons:	The Notes 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 Trustee and the Principal Paying Agent and, in accordance with Condition 14 of the Terms and Conditions of the Notes, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that, as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or

	amendment becomes effective on or after the date on which agreement is reached to issue the Notes: (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 of the Terms and Conditions of the Notes and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or (ii) the Notes have ceased to qualify as "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore, provided that, in the case of (i) above, 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 Notes then due. Notes redeemed pursuant to this provision will be redeemed at their Early Redemption Amount. "**Tax Jurisdiction**" means Singapore or any political subdivision or any authority thereof or therein having power to tax.
Taxation:	All payments of principal and interest in respect of the Notes by Clifford Capital will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, Clifford Capital will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, in the absence of such withholding or deduction, save in certain limited circumstances provided in Condition 7.
Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 9 of the Terms and Conditions of the Notes.
Rating:	The Notes are expected to be rated "AAA" by Fitch and "Aa+" by S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Listing and admission to trading:	Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of Clifford Capital or its subsidiaries or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Information Memorandum.
Clearing Systems / Clearance and Settlement:	Euroclear and Clearstream The Notes have been accepted for clearance through Euroclear and Clearstream under Common Code 317788819 and the ISIN for the Notes is XS3177888198.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, English law.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including France and Italy), the UK, Japan, Hong Kong, Singapore and Korea, and such other restrictions as may be required in connection with the offering and sale of the Notes, see "*Subscription and Sale*".
United States Selling Restrictions:	Regulation S, Category 2.

SUMMARY FINANCIAL INFORMATION

The following tables present the summary consolidated financial information of Clifford Capital Group as at 31 December 2022, 2023 and 2024 and for FY2022, FY2023 and FY2024.

The summary financial information has been derived from and should be read in conjunction with Clifford Capital Group's audited consolidated financial statements as at 31 December 2022, 2023 and 2024 and for FY2022, FY2023 and FY2024 and the notes thereto, which are included elsewhere in this Information Memorandum.

The audited consolidated financial statements as at 31 December 2022, 2023 and 2024 and for FY2022, FY2023 and FY2024 included in this Information Memorandum have been prepared in accordance with SFRS(I)s and IFRSs.

Consolidated statement of financial position

Clifford Capital Group

	As at 31 December		
	2024	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**
Assets			
Cash and cash equivalents	371,748	494,441	551,680
Derivative financial assets	18,355	11,390	4,009
Investments	401,154	293,851	270,313
Loans and advances	4,255,726	3,640,536	2,991,746
Other assets	63,412	69,902	35,274
Deferred tax assets	4,485	2,649	3,062
Subsidiaries	-	-	-
Equity accounted investees	95,035	91,229	63,738
Property, plant and equipment and intangible assets	1,229	2,816	4,193
Total assets	**5,211,144**	**4,606,814**	**3,924,015**
Liabilities			
Derivative financial liabilities	40,814	64,452	76,738
Loans and borrowings	4,289,281	3,707,767	3,126,339
Current tax liabilities	14,789	9,166	2,236
Provisions	7,723	6,582	5,727
Other liabilities	69,159	63,929	43,161
Total liabilities (excluding net assets attributable to BIC II Preference shareholder)	**4,421,766**	**3,851,896**	**3,254,201**
Equity			
Share capital	566,736	566,736	552,736
Reserves	(110,040)	(109,937)	(109,863)
Retained earnings	264,387	223,070	177,172
Equity attributable to owners of the Company	**721,083**	**679,869**	**620,045**
Non-controlling interests	68,295	63,943	49,769

Total equity	**789,378**	**743,812**	**669,814**
Net assets attributable to BIC II Preference Shareholder	**-**	**11,106**	**-**
Total liabilities and equity	**5,211,144**	**4,606,814**	**3,924,015**

Consolidated statement of comprehensive income

Clifford Capital Group

	FY 2024 US$'000	**FY 2023 US$'000**	**FY 2022 US$'000**
Interest income	353,091	296,696	150,219
Interest expense	(227,002)	(186,350)	(71,057)
Net interest income	**126,089**	**110,346**	**79,162**
Fee and commission income (net)	430	(3,714)	336
Other income	19,134	1,172	7,349
Non-interest income	**19,564**	**(2,542)**	**7,685**
Net operating income	**145,653**	**107,804**	**86,847**
Staff costs	(35,761)	(28,148)	(22,451)
Depreciation and amortisation of property, plant and equipment and intangible assets	(2,179)	(1,678)	(1,802)
Other operating expenses	(14,537)	(11,805)	(10,348)
Total operating expenses	**(52,477)**	**(41,631)**	**(34,601)**
Impairment loss on financial assets	(21,712)	(5,629)	(13,611)
Share of profit of equity-accounted investees (net of tax)	7,171	7,010	2,046
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder before tax	**78,635**	**67,554**	**40,681**
Tax expense	(12,916)	(9,275)	739
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder	**65,719**	**58,279**	**41,420**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Changes in fair value of cash flow hedges reclassified to profit or loss	**(103)**	**(74)**	**(254)**
Total items that are or may be reclassified to profit or loss	**(103)**	**(74)**	**(254)**
Other comprehensive income for the year, net of tax	**(103)**	**(74)**	**(254)**
Total increase in net assets attributable to Equity holders and BIC II Preference Shareholder	**65,616**	**58,205**	**41,166**

Total increase in net assets attributable to:			
Owners of the Company	60,265	54,448	39,317
Non-controlling interests	4,515	3,476	1,849
BIC II Preference Shareholders	836	281	-
	65,616	**58,205**	**41,166**

RISK FACTORS

In purchasing the Notes, investors assume the risk that Clifford Capital may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in Clifford Capital becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as Clifford Capital may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside Clifford Capital's control. Clifford Capital has identified in this Information Memorandum a number of factors which could materially adversely affect its business and its ability to make payments due under the Notes.

In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

RISKS RELATING TO CLIFFORD CAPITAL GROUP'S BUSINESS

Clifford Capital Group's business, financial condition and results of operations are heavily reliant on the availability of suitable infrastructure credit assets to be financed and /or acquired in order to deliver on its policy mandates, and it is exposed to risks arising from such assets

Clifford Capital Group's key policy mandates include (i) to catalyse the growth of Singapore-based companies in overseas markets by addressing cross-border financing gaps, and (ii) to mobilise institutional capital into infrastructure markets globally and facilitate capital recycling by banks. In order to deliver on these policy mandates, Clifford Capital Group is heavily reliant on the availability of suitable infrastructure credit assets to be financed and /or acquired for this purpose.

Clifford Capital Group through CCCS focuses on providing financing in support of Singapore-based companies engaged in projects in certain sectors, in particular the infrastructure sector (which includes energy & utilities, natural resources, social & digital infrastructure and industrials & transportation). In this regard, CCCS is therefore heavily reliant on Singapore-based companies securing commercially viable projects in those sectors for which CCCS has the opportunity to provide financing. The market for such projects is competitive and Singapore-based companies may not be successful in securing such projects on a regular basis or at all. Further, such projects, if secured, may not reach the stage at which financing is required for a significant period of time or at all or alternative financing sources may be obtained by the relevant project company. The availability of projects to which CCCS may provide financing and the terms and timing by which it provides financing to those projects may have a significant effect on its business, financial condition, results of operations and prospects, which may in turn affect the business, financial condition, results of operations and prospects of Clifford Capital Group. In addition, CCCS may face competition in providing financing of these projects which may in turn adversely affect its ability to grow or maintain its project financing portfolio and the margins or returns therefrom. The performance of the projects to which CCCS provides financing may be affected by risks inherent in cross border projects generally, including, but not limited to, delay risk, construction risk, performance risk, operational risk, political and country risk and currency risk. Whilst the impact of one or more of the risks inherent in cross border projects may be mitigated through the project documentation put in place for the particular project, there can be no assurance that all risks related to a project to which CCCS provides financing will be mitigated and/or eliminated. As such, the occurrence of one or more of the above risks may have an impact on the operations and/or financial condition of the project to which CCCS provides financing which, in turn, could materially affect the return CCCS obtains in relation to its investment in the relevant project.

In respect of any project financing, the returns provided to CCCS on such financing may be spread out over a number of years and be dependent on certain factors unique to the particular project being financed. Any material reduction in or deferment of returns received on these project financings could adversely affect the business, financial condition, results of operations and prospects of CCCS, which in turn may materially and adversely affect Clifford Capital Group's business, financial condition, results of operations and prospects.

Clifford Capital Group's other policy mandate to mobilise institutional capital into infrastructure markets globally and facilitate capital recycling by banks requires that it acts to catalyse the development of a capital market in Singapore for institutional capital to participate in infrastructure credit. This is done by investing in and distributing project and infrastructure loans and bonds. Clifford Capital Group through its MIS business line focuses on acquiring predominantly brownfield project and infrastructure loans and bonds from financial institutions, warehousing and managing them with the primary objective of distributing securitised notes known as IABS to institutional investors. Clifford Capital Group sponsors, structures and manages such distribution issuances, and invests in the equity tranches of these securitisation transactions for alignment of interest with investors. Debt assets considered by MIS are within the broader infrastructure ambit, including conventional power and utilities, renewable energy, LNG, oil and gas, energy shipping, transportation, telecommunications, hospitals, metals and mining sub-sectors.

Any material or prolonged delay in the acquisition of suitable assets would have an impact on the net interest income attributable to CCAF in respect of assets held on its balance sheet for warehousing or other purposes, the ability of Clifford Capital Markets Pte. Ltd. ("CCM") (a subsidiary of Clifford Capital) to generate collateral management fees for its services rendered in respect of each IABS issuance, as well as on the returns derived from Clifford Capital Group's investment in the equity tranches of the IABS transactions.

In its various roles as a financier, an investor, a structurer and distributor, and a fund manager, in respect of infrastructure credit assets, Clifford Capital Group's business, financial condition, results of operations and prospects are affected by global business, financial market, economic and geopolitical conditions. Clifford Capital Group may be adversely affected by a recession or worsening of general business, economic and geopolitical conditions, such conditions including the level and volatility of short-term and long-term interest rates, inflation shocks, magnitude of monetary policy tightening by the U.S. Federal Reserve and other central banks, employment levels, bankruptcies, volatility in both debt and equity capital markets, liquidity of the global financial markets, the availability and cost of credit, investor confidence and the strength of the global economy and the local economies of the countries where the infrastructure projects are located.

Clifford Capital Group's infrastructure credit portfolio has, and will continue to have, certain levels of concentration related to industry and borrower type

Given Clifford Capital Group's key policy mandates as described above, Clifford Capital Group's infrastructure credit portfolio is, and will continue to be, subject to a certain level of concentration in terms of industry and borrower type. Notwithstanding the expansion of Clifford Capital Group's infrastructure credit portfolio, some levels of concentration in terms of industry, client, tenors, and product types will remain given the nature of Clifford Capital Group's business. Any prolonged or significant adverse change in a particular geography, industry or borrower may have a material adverse effect on the operations and/or financial condition of the project to which Clifford Capital Group provides financing which, in turn, could materially affect the return which Clifford Capital Group obtains in relation to its investment in the relevant project and on its portfolio generally. In addition, a substantial increase in impairment provisions may have a material adverse effect on Clifford Capital Group's returns. Any such material reduction in Clifford Capital Group's returns or material increase in impairment provisions may in turn materially and adversely affect Clifford Capital Group's business, financial condition, results of operations and prospects.

Clifford Capital Group's venture into CCAM as a new business lines may not be successful and may expose Clifford Capital Group to risks arising from CCAM's operation as a licensed entity

CCAM was launched as a new business line in January 2025, as an extension of Clifford Capital Group's CCG and MIS business lines as Clifford Capital Group looks to capture new business opportunities across the infrastructure credit value chain. CCAM has obtained its Capital Markets Services (CMS) licence for fund management from the Monetary Authority of Singapore (MAS) to operate as a fund management company, enabling Clifford Capital Group to scale further by drawing institutional capital into the private infrastructure credit funds segment. CCAM aims to provide institutional investors worldwide with access to infrastructure credit products with a focus on Asia-Pacific.

As a new business line, CCAM may require additional capital resources and new expertise. In addition, market acceptance for CCAM's products and solutions may not materialise as quickly as expected. Given the early stage of its business, investors have limited historical financial information or operating data upon which to evaluate CCAM's operations and future prospects. There is no assurance that Clifford Capital Group will achieve the objectives that it has set out to achieve in relation to the CCAM business, or that CCAM will be able to operate profitably. CCAM's operational results will depend on various factors, some of which may be beyond its control, including the availability of market opportunities and the ability of CCAM to capitalise on any such opportunities, the ability of CCAM to attract institutional capital, the level of volatility of interest rates, the availability of adequate financing, its ability to attract and retain key personnel, its relationship with founding shareholders, conditions in the financial markets and other economic conditions.

As a licensed entity, CCAM is dependent on the retention of its CMS licence for the conduct of its fund management business. Failure to comply with relevant laws and regulations governing licensed fund management companies may result in financial penalties or administrative proceedings against CCAM, including the suspension or revocation of its fund management license. Any such penalties, proceedings or suspension or revocation of license may have a negative impact on Clifford Capital Group's business and reputation.

In addition, MAS may from time to time make changes to the regulatory framework governing fund management companies. No assurance can be given that any regulatory changes (if and when they come into effect) will not have fundamentally alter CCAM's business environment or have a material adverse effect on CCAM's business or results of operations.

Asset-liability mismatches may arise, and any inability to address liquidity shortfalls could adversely affect Clifford Capital Group's business, financial conditions and results of operations

Clifford Capital Group's funding requirements are met through a combination of funding sources, comprising shareholder equity, capital market issuances and bank borrowings. As some of Clifford Capital Group's assets have long-term maturities, funding mismatches may occur where such assets are financed from borrowings of a shorter duration. While the funding profile of enties within Clifford Capital Group is guided by the liquidity risk management framework and calibrated along Clifford Capital's Treasury Risk Policy (as described in the section "*Description of Clifford Capital and Clifford Capital Group – Group Risk Framework, Policies And Processes – Interest rate risk*"), there is no assurance that Clifford Capital Group can always fully address possible liquidity shortfalls should they arise. In such a situation, Clifford Capital Group may seek financing which may not be available on favourable terms or at all, and could lead to a material adverse effect on Clifford Capital Group's business, financial condition and results of operations.

Clifford Capital Group's business and earnings are affected by general business, financial market, economic and geopolitical conditions throughout the world, which could have a material adverse effect on its results of operations

Clifford Capital Group's business and earnings are affected by global business, financial market, economic and geopolitical conditions. Clifford Capital Group may be adversely affected by a recession or worsening of general business, economic and geopolitical conditions, such conditions including the level and volatility of short-term and long-term interest rates, inflation shocks, magnitude of monetary policy tightening by the U.S. Federal Reserve and other central banks, employment levels, bankruptcies, volatility in both debt and equity capital markets, liquidity of the global financial markets, the availability and cost of credit, investor confidence, the strength of the global economy and the local economies in which Clifford Capital Group operates and any material escalation of geopolitical risks or conflicts which may in turn adversely impact the foregoing.

Clifford Capital Group's business and prospects may be adversely affected by natural disasters and the occurrence of epidemics, pandemics and other outbreaks of contagious diseases

Natural disasters and epidemics that are beyond Clifford Capital Group's control may adversely affect the economy, infrastructure and livelihood of the people in those affected countries or regions. Some countries or regions where Clifford Capital Group operates face threats of floods, earthquakes, sandstorms, snowstorms, fires and droughts, and epidemics. In addition, past occurrences of epidemics, depending on their scale, have caused varying degrees of damage to the economy of Singapore and other countries or regions where Clifford Capital Group operates. For example, COVID-19, an infectious disease caused by severe acute respiratory syndrome coronavirus 2, has spread globally and was declared a "pandemic" by the World Health Organization in March 2020. The COVID-19 pandemic and measures taken to mitigate the spread of COVID-19 (including restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses) severely impacted economic activity in Singapore and globally, and caused a global recession in 2020. An outbreak of an epidemic, or the measures taken by the governments of affected countries, including Singapore, against such an outbreak, could severely disrupt Clifford Capital Group's business operations and undermine investor confidence, thereby materially and adversely affecting its financial condition or results of operations.

Clifford Capital Group may require substantial financing to fund its future growth and any inability to obtain financing on favorable terms or at all could adversely affect Clifford Capital Group's business

Clifford Capital Group may require substantial financing to fund the future growth of its business. In the event that there is an interruption of Clifford Capital Group's access to the credit markets or a significant increase in Clifford Capital Group's cost of credit, this could materially increase Clifford Capital Group's interest expense and impair its ability to compete effectively. Further, the availability of financing from banks and the financial community is necessary for Clifford Capital Group to fund inorganic growth or make new acquisitions and investments. Such financing may not be available in the future or at a reasonable cost, which would have a significant impact on Clifford Capital Group's business activities. In addition, the ongoing volatility in the international capital markets has also led to reduced liquidity and increased credit risk premiums for certain market participants, and has increased the risk involved in procuring financing. Any failure to secure financing on reasonable terms could materially affect Clifford Capital Group's success in pursuing its business strategy and may adversely affect its business, financial condition, results of operations and prospects.

Clifford Capital Group is exposed to interest rate risk

Clifford Capital Group is exposed to interest rate risk arising from mismatches in the interest rate profile of its assets and liabilities. These mismatches could arise from different tenor profiles and the use of different interest rate benchmarks. Clifford Capital Group may enter into hedging transactions to limit exposure to interest rate mismatches at a portfolio level, but there is no assurance that it can completely hedge all interest rate mismatches and/or do so on competitive pricing terms.

In addition, a change in interest rates could affect interest income derived from Clifford Capital Group's interest-bearing assets or Clifford Capital Group's borrowing costs and thereby affect Clifford Capital Group's profitability. While Clifford Capital Group typically enters into hedging transactions to protect itself from the effects of interest rate fluctuations, there can be no assurance that such hedging transactions would be available in all cases (in particular, during periods of volatile interest rates) or, if available, that such hedging transactions could be entered into on terms which are commercially acceptable to Clifford Capital Group. In the event that Clifford Capital Group is unable to adequately hedge its interest rate exposure, any change in interest rates, especially for a prolonged period, could have an adverse effect on Clifford Capital Group business, financial condition and results of operations.

Clifford Capital Group is exposed to counter-party risks

Clifford Capital Group may enter into various transactions which will expose it to the credit of its counter-parties and their ability to satisfy the terms of such contracts. Clifford Capital Group engages in the business of commercial lending and is thus exposed to credit risks from loans to and investments in corporate customers. The MIS business involves acquiring, warehousing and managing project and infrastructure loans and bonds and thus exposes Clifford Capital Group to credit risks from such project and infrastructure loans and bonds.

In addition, Clifford Capital Group may enter into derivative transactions (for example, to manage exposure to interest rate and foreign currency risks), which exposes it to the risk that the counter-party may default on its obligations to perform under the relevant contract. Clifford Capital Group's surplus funds may be invested in interest-bearing deposits with financial institutions or bonds. In the event a counter-party or issuer, including a financial institution, is declared bankrupt or becomes insolvent, this may have a material adverse effect on Clifford Capital Group's financial condition and results of operations.

Clifford Capital Group's business exposes it to risks of legal and regulatory systems where the interpretation, application and enforcement of laws and regulations may be uncertain

Entities within Clifford Capital Group may provide financing to, or hold investments in, companies which operate in legal and regulatory systems where the interpretation, application and enforcement of laws and regulations (including but not limited to laws and regulations relating to ownership of, and title to, property and assets and / or tax laws and regulations) may be uncertain or unclear and may be subject to considerable discretion. The application of such laws and regulations may depend, to a large extent, upon subjective criteria such as good faith of the parties to the transaction and principles of public policy. Interpretation of, compliance with and enforcement of judicial or regulatory decisions, rulings, directives or guidelines may be uncertain or unclear, and the consequences thereof may not be manageable or predictable. Judicial decisions may not be systematically and publicly available and may not constitute binding precedent. Enforcement of laws and regulations may not be well established. There may not be public consultation or notice prior to changes in interpretation, application and enforcement of laws and regulations. Where the interpretation, application and enforcement of laws and regulations may be subject to uncertainty and considerable discretion, it could in practice lead to a challenging operating environment, increasing the difficulties involved in planning and managing a business. Failure to establish or enforce ownership of, or title to, property or assets acquired by Clifford Capital Group and /

or certain tax regime changes could have a material adverse effect on Clifford Capital Group's business, financial condition, results of operations and prospects.

In providing financing, Clifford Capital Group may be exposed to obligations and liabilities

Clifford Capital Group may provide financing to entities or projects which carry out businesses which are subject to a variety of laws and regulations. There is no assurance that Clifford Capital Group would not be exposed to obligations and liabilities arising from providing financing. For example, where the financing provided by Clifford Capital Group is secured by assets and Clifford Capital Group proceeds to take possession of such assets due to an enforcement of such security, Clifford Capital Group may become, directly or indirectly, liable for ensuring compliance with laws and regulations arising from such possession. These laws and regulations could relate to, among others, environmental and corporate social responsibility issues. Clifford Capital Group may provide financing in jurisdictions where the applicable laws and regulations could become more stringent in future as they develop over time. Any claims against Clifford Capital Group, or the failure by Clifford Capital Group to comply with applicable laws or regulations, could result in the assessment of damages, the imposition of fines or the suspension or cessation of relevant operations, and which could have a material adverse effect on Clifford Capital Group's business, financial condition, results of operations and prospects.

Clifford Capital Group is affected by political, economic and regulatory conditions in Singapore and elsewhere

Changes in political, economic and regulatory conditions in Singapore and in the countries in which Clifford Capital Group has and/or may have operations or has acquired and/or may seek to acquire project and infrastructure loans and bonds could materially and adversely affect its financial and business condition and prospects.

Amongst the political, economic and regulatory uncertainties are changes in political leadership, changes in currency exchange rates and interest rates, changes in political or economic conditions, adoption and expansion of trade protection measures and import or export restrictions, the occurrence of a trade war or other governmental action related to tariffs or trade agreements or policies, negative consequences from changes in tax laws and unexpected changes in regulatory requirements. Any adverse changes in such political, economic or regulatory conditions could have an adverse effect on Clifford Capital Group's business, financial condition, results of operations and prospects.

Clifford Capital Group may suffer losses that are not covered by insurance

Clifford Capital Group may not maintain sufficient insurance coverage for the risks associated with its business. While Clifford Capital Group maintains certain insurance policies, there may be types of losses for which Clifford Capital Group may not be able to obtain insurance at a reasonable cost, or at all. Clifford Capital Group may be exposed to uninsured losses or a loss in excess of insured limits. It is also possible that third-party insurance carriers will not be able to maintain reinsurance sufficient to cover losses that may be incurred. Any material uninsured loss could have a material adverse effect on Clifford Capital Group's business, financial condition, results of operations and prospects.

In addition, Clifford Capital Group may be required to renew insurance policies it holds and to negotiate acceptable terms for coverage. This could expose Clifford Capital Group to the volatility of the insurance markets, including the possibility of premium rate increases. Clifford Capital Group cannot anticipate what coverage will be available on commercially reasonable terms in future policy years. Any material increases in insurance rates or decrease in available coverage in the future could have a material adverse effect on Clifford Capital Group's business, financial condition, results of operations and prospects.

There is no assurance that Clifford Capital Group's integrated operating model will be successful

Under Clifford Capital Group's integrated operating model, loans and bonds assets originated or acquired by CCG could be sold to other parties by MIS as part of its warehousing facility ahead of future IABS issuances or by including loan and bond assets in funds managed by CCAM, thereby freeing up Clifford Capital Group's origination and acquisition capacity. However, there is no assurance that such capital recycling will be successful due to prevailing market conditions.

Further, Clifford Capital Group provides support, through Clifford Capital Management Services Pte. Ltd. ("CCHMS"), to entities within Clifford Capital Group in the areas of business functions (as described in "*Clifford Capital Group — Background to the Establishment of Clifford Capital Group*"), and governance (as described in "*Clifford Capital Group – Risk Management and Controls*").

Under this business model, entities within Clifford Capital Group also depend on the ability of Clifford Capital Group to retain and motivate key members of its management team and attract qualified new employees. Clifford Capital Group may be unable to replace key members of its management team in the event of loss of their services. There is intense competition for experienced management personnel with expertise in the infrastructure and project finance sectors. If Clifford Capital Group loses the services of any of these individuals and Clifford Capital Group is unable to find suitable replacements in a timely manner, the ability of entities within Clifford Capital Group to manage its business and operations could be impaired.

In addition, entities within Clifford Capital Group are dependent on the proper functioning of Clifford Capital Group's operational and information technology systems to manage its business effectively. Such operational and information technology systems may be subject to increased demands as origination volume and other business activities increase.

Whilst Clifford Capital Group has in place certain disaster recovery and back-up systems, there can be no assurance that its business activities would not be materially disrupted if there is a partial or complete failure of any of these primary or back-up operational or information technology systems. In addition, any security breach caused by unauthorised access to Clifford Capital Group's information systems, or any significant malfunctions or loss or corruption of data, software, hardware or other computer equipment could result in failures or interruptions in its risk management, organisational, operational and/or other important systems, There can be no assurance that such failures, interruptions or security breaches will not occur or that Clifford Capital Group will adequately address them if they do occur. Accordingly, the occurrence of any such failures, interruptions or breaches, or the failure of Clifford Capital Group's operational and information technology systems to meet increased demands as Clifford Capital Group's business expands, could have a material adverse effect on Clifford Capital Group's business, results of operations and financial condition.

There is no assurance that Clifford Capital Group's integrated operating model will be successful, or will result in synergies or productivity enhancements. Any failure by Clifford Capital Group to provide support effectively to entities within Clifford Capital Group may adversely affect Clifford Capital Group's business, financial condition, results of operations and prospects.

From time to time, entities within Clifford Capital Group have transacted or may transact in the future with one another, including, without limitation, in respect of the sale and purchase of infrastructure loans and bonds and funding transactions. See "*Description of Clifford Capital and Clifford Capital Group – Group Risk Framework, Policies and Processes – Related Party Transactions*" and note 25 of Clifford Capital's audited financial statements for the years ended 31 December 2022, 31 December 2023 and 31 December 2024. These transactions may involve conflicts of interest. No assurance can be given that such conflict will not have a material adverse effect on the financial condition and results of operations of any particular Clifford Capital Group entity or or the group as a whole, unless it has been effectively resolved or mitigated in the manner described in "*Description of Clifford Capital and Clifford Capital Group – Group Risk Framework, Policies and Processes – Related Party Transactions*".

Clifford Capital Group has a holding company structure, and it is possible that Clifford Capital may not have the financial resources or liquidity to pay amounts under the Notes

A substantial part of Clifford Capital's assets are shareholdings in its subsidiaries. The ability of Clifford Capital to continue to satisfy its payment obligations, including payment obligations under the Notes, is therefore substantially dependent upon the up-streaming of dividends, distributions and other payments received from Clifford Capital's subsidiaries and its ability to borrow. Both the timing and ability of Clifford Capital's subsidiaries to pay dividends and distributions are limited by applicable laws and subject to the performance of these subsidiaries (which could be affected by the risks described herein with respect to Clifford Capital Group's business) and may be limited by conditions contained in a certain number of their agreements. The Notes contain no covenants which prevent Clifford Capital's subsidiaries from entering into agreements which may restrict their ability to pay dividends or make distributions to Clifford Capital.

Noteholders will rank behind creditors of Clifford Capital's subsidiaries

Although the Noteholders (and other equally ranked creditors) will rank ahead of Clifford Capital's shareholders in terms of payment priority if Clifford Capital becomes insolvent, the Noteholders are not creditors of Clifford Capital's subsidiaries.

As a result of the holding company structure of Clifford Capital Group, the Notes are structurally subordinated to any and all existing and future liabilities and obligations of Clifford Capital's subsidiaries. Generally, claims of creditors, including trade creditors, and claims of preferred shareholders, if any, of any such subsidiaries will have priority with respect to the assets and earnings of such subsidiaries over the claims of Clifford Capital and its creditors, including the Noteholders. The Trust Deed pursuant to which the Notes will be issued does not contain any restrictions on the ability of Clifford Capital or Clifford Capital's subsidiaries to incur indebtedness.

Application of Singapore insolvency and related laws to Clifford Capital may result in a material adverse effect on the Noteholders

There can be no assurance that Clifford Capital will not become bankrupt, unable to pay its debts or insolvent or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of Clifford Capital, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Noteholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Noteholders.

Where Clifford Capital is insolvent or close to insolvent and Clifford Capital undergoes certain insolvency procedures, there may be 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 Clifford Capital. It may also be possible that if a company related to Clifford Capital proposes a creditor scheme of arrangement and obtains an order for a moratorium, Clifford Capital may also seek a moratorium even if Clifford Capital is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, with the consent of the judicial manager or with court permission. Accordingly, if for instance there is any need for the Trustee to bring an action against Clifford Capital, the need to obtain court permission or the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders may be made subject to a binding scheme of arrangement where the majority in number representing 75% in value of creditors and the court approve such scheme. In respect of company- initiated creditor schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing 75% in value of the creditors meant to be bound by the scheme and who were present and voting (either in person or by proxy) at the relevant meeting have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 (the "IRD Act") was passed in the Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, the Notes. However, it may apply to related contracts that are not found to be directly connected with the Notes.

Clifford Capital Group may face risks associated with sustainability matters

There is increasing scrutiny related to sustainability matters from regulators, investors and various stakeholders, which at times could result in additional costs or other impacts to Clifford Capital Group's operations or reputation. Sustainability initiatives undertaken by Clifford Capital Group to improve sustainability performance may require considerable investments and may not have the desired results. There is no guarantee that Clifford Capital Group will achieve its sustainability targets or that such targets, if met, will achieve the positive impact intended, either on particular sustainability matters or as a whole. Addressing sustainability matters often requires the use of estimates, assumptions, methodologies and third-party information, all of which are subject to change from time to time and, ultimately, inherently uncertain. If actual results differ from estimates or assumptions, if methodologies change or prove to be ineffective or if third-party information is inaccurate or incomplete, it may cause statements or actions that Clifford Capital Group take to be inaccurate, inconsistent with past statements or actions or subject to misinterpretation. Stakeholders can have varying or divergent perceptions on sustainability matters, and standards and methodologies for such matters (including for the measuring and reporting of information) continue to evolve. Clifford Capital Group expects that its practices and approaches regarding sustainability matters will evolve as well, and there can be no assurance that these approaches will align with the expectations of any particular stakeholder. Proponents and opponents of such matters are increasingly resorting to activism, including litigation, to advance their perspectives. Addressing stakeholder expectations entails costs and any failure to successfully navigate such expectations, as well as evolving interpretations of any laws or other requirements, may result in reputational harm, loss of customers or contracts, regulatory or stakeholder engagement, or other adverse impacts to Clifford Capital Group.

RISKS RELATED TO THE NOTES

The Notes may not be a suitable investment for all investors

Each prospective investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement to this Information Memorandum;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the prospective investor's currency;

(d) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and

(e) is 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.

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 prospective investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default shall not be treated as such, in the circumstances described in Condition 9(a). In addition, the Trustee shall not be bound to take any steps including, without limitation, giving notice that any of the Notes are due and repayable in accordance with Condition 9(a) of the Terms and Conditions of the Notes, or enforce the performance by the Issuer of any of the Terms and Conditions of the Notes unless (amongst other things) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

The value of the Notes could be adversely affected by a change in English law or administrative practice

The Notes will be governed by English law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to English law any such change could materially adversely impact the value of any Notes affected by it.

The market price of the Notes may be volatile

The market price of the Notes could be subject to wide fluctuations in response to numerous factors, many of which are beyond the control of the Issuer. These factors include actual or anticipated variations in operating results, our and our competitors' earnings releases, changes in financial estimates by securities analysts, market conditions in the industry and the general state of the securities markets, governmental legislation or regulation, currency and exchange rate fluctuations, interest rates, the rating of the Notes or of the Issuer by rating agencies, as well as general economic and market conditions.

Investors who purchase Notes in denominations that are not an integral multiple of the minimum specified denomination may be adversely affected if Definitive Certificates are subsequently required to be issued

In relation to any Notes which have denominations consisting of a minimum specified denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum specified denomination. In such a case a holder who, as a result of trading such amounts, holds a principal amount which is less than the minimum specified denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Certificate in respect of such holding (should Definitive Certificates be printed) and would need to purchase a principal amount of the Notes such that its holding amounts to a specified denomination.

If such Definitive Certificates are issued, holders should be aware that a Definitive Certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The Notes will initially be represented by a Global Certificate held by or on behalf of Euroclear and Clearstream, and investors will have to rely on the procedures of Euroclear and Clearstream for transfer, payment and communication with the Issuer

The Notes will initially be represented by a Global Certificate which will be deposited with a common depositary for Euroclear and Clearstream. Each of Euroclear and Clearstream will maintain records of the beneficial interests in the Global Certificate held through it. While the Notes are represented by a Global Certificate, investors will be able to transfer their beneficial interests only through Euroclear or Clearstream (as the case may be).

While the Notes are represented by a Global Certificate, the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream (as the case may be) for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of Euroclear or Clearstream (as the case may be) to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Folders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream (as the case may be) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Certificate will not have a direct right under the Global Certificate to take enforcement action against the Issuer following an Event of Default under the relevant Notes but will have to rely upon their rights under the Trust Deed and the Terms and Conditions of the Notes.

Singapore taxation risk

The Notes are intended to be "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore ("**ITA**"), subject to the fulfilment of certain conditions more particularly described in the section "*Taxation*".

However, there is no assurance that the Notes will continue to enjoy the tax concessions in connection

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Even if an active trading market were to develop, the Notes may trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates and interest rate volatility, the market for similar securities and general market, financial and economic conditions.

If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on such Notes

Clifford Capital will pay principal and interest on the Notes in U.S. Dollars (the "**Specified 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 Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified 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 Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

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.

The value of the Notes may be adversely affected by movements in market interest rates

The Notes have a fixed interest rate. Investment in Notes with a fixed interest rate involves the risk that if market interest rates subsequently increase above the rate paid on the Notes, this will adversely affect the value of the Notes.

Credit ratings assigned to Clifford Capital or the Notes may not reflect all the risks associated with an investment in the Notes

As of the date of this Information Memorandum, Clifford Capital has long-term issuer ratings of AAA/Stable from Fitch Ratings, AA+/Stable from S&P Global Ratings (a division of S&P Global Inc.) and Aa1/Stable from Moody's, as well as short-term issuer ratings of F1+, A-1+ and P-1 respectively. In addition, the Notes are expected to be rated "AAA" by Fitch and "Aa+" by S&P.

The ratings represent the opinions of the rating agencies and their assessment of the ability of Clifford Capital to perform its obligations under the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. 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 Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Clifford Capital has no obligation to inform holders of the Notes of any revision, suspension or withdrawal of the rating assigned to the Notes.

A downgrade of the credit rating of Clifford Capital or the Notes could have a material adverse effect on Clifford Capital Group and on the price of the Notes

Credit ratings are subject to revision, suspension or withdrawal at any time by the assigning rating agency. Rating agencies may also revise or replace entirely the methodology applied to derive credit ratings. No assurances can be given that a credit rating will remain for any period of time or that a credit rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant or if a different methodology is applied to derive that credit rating.

A downgrade, suspension or withdrawal at any time of the ratings assigned to Clifford Capital or the Notes could impact Clifford Capital Group's ability to obtain financing or increase its financing costs and could have an adverse effect on the market price of the Notes.

CAPITALISATION AND INDEBTEDNESS

The table below sets forth the capitalisation and indebtedness of Clifford Capital Group as at 31 December 2024 and as adjusted to account for the issuance of the Notes. This table should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this Information Memorandum.

	As at 31 December 2024	
	Audited Group	As adjusted Group
	(In US$ '000)	
Non-current liabilities		
Unsecured medium term notes / to be issued	2,020,626	2,520,626
Notes issued	1,086,222	1,086,222
Lease liabilities	3	3
	3,106,851	**3,606,851**
Current liabilities		
Unsecured medium term notes	49,995	49,995
Unsecured bank loans	291,403	291,403
Unsecured commercial papers	840,233	840,233
Lease liabilities	799	799
	1,182,430	**1,182,430**
	4,289,281	**4,789,281**
Equity		
Share capital	566,736	566,736
Reserves	(110,040)	(110,040)
Retained earnings	264,387	264,387
Equity attributable to owners of the Company	**721,083**	**721,083**
Non-controlling interests	68,295	68,295
Total equity	**789,378**	**789,378**
Total Capitalisation and Indebtedness	**5,078,659**	**5,578,659**

Notes:

The unsecured medium term notes, unsecured bank loans, unsecured commercial papers in Clifford Capital Asset Finance Pte. Ltd. (formerly Bayfront Infrastructure Management Pte. Ltd.) and Clifford Capital Credit Solutions Pte. Ltd. (formerly Clifford Capital Pte. Ltd.) of US$3,202,257,000 are unconditionally and irrevocably guaranteed by the Government of Singapore ("Guarantor"). The total amount recoverable by all creditors from the Guarantor under the respective guarantees in respect of all documents relating to such loans and borrowings ("Guaranteed Documents") is limited to:

- an aggregate amount of US$5,300,000,000 in respect of principal sums; and

- an aggregate amount of US$600,000,000 in respect of interest (including interest on overdue interest), making an overall aggregate limit of US$5,900,000,000 for both principal and interest payable under all Guaranteed Documents entered into between all creditors and the Group.

TERMS AND CONDITIONS OF THE NOTES

The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Notes.

The following are the terms and conditions of the Notes substantially in the form in which they will be endorsed on such Notes if issued in definitive certificated form and which will be incorporated by reference into the Global Certificate representing the Notes, subject to the provisions of the Global Certificate, some of which will modify the effect of these terms and conditions. See Condition 12 (*Meetings of Noteholders, Modification and Waiver*).

The issue of US$500,000,000 3.97 per cent. Notes due 2028 (the "**Notes**", which expression shall, unless otherwise indicated, include any further Notes issued pursuant to Condition 15 and consolidated and forming a single series with the Notes) of Clifford Capital Holdings Pte. Ltd. (the "**Issuer**") was (save in respect of any such further Notes) authorised by resolutions of the board of Directors of the Issuer passed on 31 July 2025. The Notes are constituted by a trust deed (the "**Trust Deed**") dated on or about the Issue Date between (amongst others) the Issuer and The Hongkong and Shanghai Banking Corporation Limited (the "**Trustee**", which expression shall include its successor and all persons for the time being the trustee or trustees under the Trust Deed) in its capacity as trustee for itself and for the Noteholders.

These terms and conditions of the Notes (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). An agency agreement dated on or about the Issue Date (the "**Agency Agreement**") between, amongst others, the Issuer, the Trustee, The Hongkong and Shanghai Banking Corporation Limited as principal paying agent (the "**Principal Paying Agent**", which term shall include any successor or substitute principal paying agent appointed pursuant to the terms of the Agency Agreement), registrar (the "**Registrar**", which term shall include any successor or substitute registrars appointed pursuant to the terms of the Agency Agreement) and as transfer agent (the "**Transfer Agent**" which term shall include any successor or substitute transfer agent appointed pursuant to the terms of the Agency Agreement) has been entered into in relation to the Notes. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the registered office of the Issuer (presently at 38 Beach Road, #19-11 South Beach Tower, Singapore 189767) and at the specified office of the Trustee being at Level 26, HSBC Main Building, 1 Queen's Road Central, Hong Kong. The holders of the Notes are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of the Agency Agreement.

1. DEFINITIONS

Words and expressions defined in the Trust Deed or the Agency Agreement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail.

"**Authorised Denomination**" means, in respect of any Note, the Minimum Denomination thereof and any denomination equal to a multiple of the Authorised Integral Amount in excess of the Minimum Denomination thereof.

"**Authorised Integral Amount**" means US$1,000.

"**Business Day**" means a day which is both:

(a) in the case of Notes in definitive form only, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation; and

(b) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Singapore, New York city and Hong Kong.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time.

"**Definitive Certificate**" means a certificate representing one or more Notes in definitive, fully registered, form.

"**Depository**" means Euroclear SA/NV and Clearstream Banking S.A.

"**Depository Business Day**" means a day on which the Depository is open for business.

"**Directors**" means the person(s) who may be appointed as director(s) of the Issuer from time to time and "**Director**" means any of them.

"**Event of Default**" means each of the events defined as such in Condition 9 (*Events of Default and Enforcement*).

"**Extraordinary Resolution**" means an extraordinary resolution as described in Condition 12 (*Meetings of Noteholders, Modification and Waiver*) and as further described in, and as defined in, the Trust Deed.

"**FATCA**" means:

(a) Sections 1471 to 1474 of the Code or any associated regulations or other official guidance;

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to or in connection with the implementation of paragraphs (a) or (b) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**Global Certificate**" means a certificate representing one or more Notes in global, fully registered, form.

"**Indebtedness for Borrowed Money**" means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any borrowed money or any liability under or in respect of any acceptance or acceptance credit or any notes, bonds, debentures, debenture stock, loan stock or other securities.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**Issue Date**" means 30 September 2025.

"**Maturity Date**" means 30 September 2028.

"**Minimum Denomination**" means US$200,000.

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "**holder**" shall be construed accordingly.

"**Principal Amount Outstanding**" means at any time, the aggregate principal amount outstanding under the Note at that time.

"**Record Date**" means:

(a) in respect of Notes represented by a Definitive Certificate, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note; and

(b) in respect of Notes represented by a Global Certificate, the close of business on the Depository Business Day before the relevant due date for payment of principal and interest in respect of such Note.

"**Redemption Price**" means, with respect to any Note, 100.0 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14 (*Notices*).

"**SGX-ST**" means Singapore Exchange Securities Trading Limited.

"**Tax Jurisdiction**" means Singapore or any political subdivision or any authority thereof or therein having power to tax.

2. FORM AND DENOMINATION, TITLE, TRANSFER AND EXCHANGE

(a) Form and Denomination

The Notes may be issued in (i) global, certificated, fully registered form, without interest coupons, talons and principal receipts attached or (ii) definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in each case in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Global Certificate or Definitive Certificate (as applicable) will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar.

*Upon issue, the Notes will be represented by a global certificate (the "**Global Certificate**") deposited with a common depositary for, and representing Notes registered in the name of a nominee of, Euroclear Bank SA/NV and Clearstream Banking S.A.. The Conditions are modified by certain provisions contained in the Global Certificate. Except in the limited circumstances described in the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form.*

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

Transfers of interests in the Notes represented by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

(c) Transfer

In respect of Notes represented by a Definitive Certificate, one or more such Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or the Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or the Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor.

Interests in the Global Certificate will be transferable in accordance with the rules and procedures for the time being of the Depository.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer. Delivery of new Definitive 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 shall have been made or, at the option of the Noteholder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be sent by courier, at the risk of the Noteholder entitled to the new Definitive Certificate, to such address as may be so specified.

In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and the Global Certificate or Definitive Certificates (as applicable) representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void ab initio. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than 60 days' notice of any such change having been given to the Noteholders in accordance with Condition 14 (*Notices*)), is not prejudicial to the interests of the holders of the Notes. A copy of the current regulations may be inspected at the offices of the Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests following prior written request and proof of holding satisfactory to the Registrar.

3. STATUS OF THE NOTES

The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

4. INTEREST

(a) Rate of Interest

The Notes bear interest from and including the Issue Date at the rate of 3.97 per cent. per annum, payable in equal instalments semi-annually in arrear on 30 March and 30 September of each year, commencing on 30 March 2026.

(b) Interest Accrual on the Notes

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 4 (*Interest*) (both before and after judgement) to (but excluding) whichever is the earlier of (i) the date on which all amounts due in respect of such Note have been paid, and (ii) as provided in Clause 2.2 of the Trust Deed.

(c) Broken Amounts

When any interest is required to be calculated in respect of a period of less than a full six months, it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days.

For so long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear Bank SA/NV or Clearstream Banking S.A. or any alternative clearing system, the interest payable in respect of the Notes shall be calculated based on the aggregate principal amount of the Notes represented by the Global Certificate.

5. REDEMPTION AND PURCHASE

(a) Final Redemption

Save to the extent previously redeemed or purchased in full and cancelled, the Notes will be redeemed on the Maturity Date. In the case of a redemption pursuant to this Condition 5(a) (*Final Redemption*), the Notes will be redeemed at their Redemption Price. Notes may not be redeemed other than in accordance with this Condition 5 (*Redemption and Purchase*).

(b) Redemption for tax reasons

The Notes 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 Trustee and the Principal Paying Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that, as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Notes:

(i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(ii) the Notes have ceased to qualify as "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore,

provided that, in the case of (i) above, 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 Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by two Directors 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 an opinion of independent legal advisers of recognised standing to the effect that either (i) the Issuer has or will become obliged to pay such additional amounts or (ii) the Notes have ceased to qualify as "qualifying debt securities", as the case may be, as a result of such change or amendment and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders.

Notes redeemed pursuant to this Condition 5(b) (*Redemption for tax reasons*) will be redeemed at their Early Redemption Amount.

(c) Early Redemption Amounts

For the purposes of Condition 5(b) (*Redemption for tax reasons*) and Condition 9 (*Events of Default and Enforcement*), each Note will be redeemed at its Early Redemption Amount calculated as an amount equal to 100.0 per cent. of the principal amount in respect of such Note.

(d) Purchases

The Issuer, its subsidiaries and / or affiliates may at any time purchase Notes in any manner and at any price in the open market or otherwise. All such Notes must be surrendered to the Registrar for cancellation.

(e) Cancellation

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 5(d) (*Purchases*) above shall be forwarded to the Principal Paying Agent and cannot be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. The Issuer should, upon request from the Trustee, procure a certificate of cancellation to the Trustee detailing all Notes redeemed, converted or purchased by the Issuer.

(f) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 5 (*Redemption and Purchase*) (which notice shall be irrevocable) is given to the Trustee and Noteholders in accordance with Condition 14 (*Notices*).

6. PAYMENTS

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent by wire transfer. Payments of interest and, prior to redemption in full thereof, principal in respect of each Note will be made by wire transfer to the holder (or to the first named of joint holders) of the Note appearing on the Register at the close of business on the Record Date at his address shown on the Register on the Record Date. Upon application of the Noteholder to the specified office of the Principal Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a US$ account maintained by the payee with a bank in Singapore.

Payments of principal upon final redemption in respect of each Note represented by the Global Certificate will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Global Certificate at the specified office of the Principal Paying Agent by wire transfer. Payments of interest and, prior to redemption in full thereof, principal in respect of each Note represented by the Global Certificate will be made by wire transfer to the holder (or to the first named of joint holders) of the Global Certificate appearing on the Register at the close of business on the Record Date at his address shown on the Register on the Record Date. On each occasion on which a payment of interest or principal is made in respect of the Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by the Global Certificate to be decreased accordingly.

(b) Payments

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA. No commission shall be charged to the Noteholders.

(c) General provisions applicable to payments

The holder of the Global Certificate shall be the only person entitled to receive payments in respect of Notes represented by such Global Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Certificate in respect of each amount so paid. Each of the persons shown in the records of the Depository as the beneficial holder of a particular nominal amount of Notes represented by such Global Certificate must look solely to the Depository for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Certificate.

(d) Payments on Business Days

Subject to Condition 8 (*Prescription*), if the date for payment of any amount in respect of any Note is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

(e) Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;

(ii) the Early Redemption Amount of the Notes; and

(iii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7. TAXATION

All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note:

(i) presented for payment in any Tax Jurisdiction; or

(ii) the holder of which is liable for such taxes or duties in respect of such Note by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note (including, without limitation, the holder being a resident or having a permanent establishment in Singapore) or where the holding or deduction could be avoided by the holder making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence or other similar claim for exemption to the appropriate authority which such holder is legally capable and competent of making but fails to do so; or

(iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Business Day; or

(iv) for any taxes imposed under Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreements entered into thereunder, any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any such intergovernmental agreements.

8. PRESCRIPTION

The Notes will become void unless claims in respect of principal and/or interest are made within a period of three years after the Relevant Date therefor.

9. EVENTS OF DEFAULT AND ENFORCEMENT

(a) Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then Outstanding or if so directed by an Extraordinary Resolution of Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount, together with accrued interest as provided in the Trust Deed, if any of the following events ("**Events of Default**") shall occur:

(i) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 14 days; or

(ii) if (A) the Issuer fails to perform or observe any of its other obligations under the Conditions, the Trust Deed and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy, when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 60 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if (A) any Indebtedness for Borrowed Money of the Issuer becomes capable of being declared due and repayable prematurely by reason of an event of default (however described); (B) the Issuer fails to make any payment in respect of any Indebtedness for Borrowed Money of the Issuer on the final due date for payment (as extended by any applicable grace period (if any) originally specified in the documents evidencing such Indebtedness for Borrowed Money); (C) any security given by the Issuer for any Indebtedness for Borrowed Money becomes enforceable; or (D) default is made by the Issuer in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person provided that no event described in this subparagraph 9(a)(iii) shall constitute an Event of Default unless the relevant amount of Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (A) to (D) above, amounts to at least U.S.$100,000,000 (or its equivalent in any other currency); or

(iv) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders; or

(v) if the Issuer ceases or threatens to cease to carry on the whole or substantially the whole of its business, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders or the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

(vi) if (i) proceedings are initiated against the Issuer under any applicable bankruptcy, insolvency, composition, reorganisation, winding up (other than a reorganisation or winding up under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of the Issuer or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of the Issuer, and (ii) in any such case (other than the appointment of an administrator) is not discharged or stayed within 60 days; or

(vii) if (A) the Issuer initiates or consents to judicial proceedings relating to itself under any applicable bankruptcy, insolvency, reorganisation (other than a reorganisation, winding up or liquidation under or in connection with a scheme of arrangement, amalgamation or reconstruction not involving bankruptcy or insolvency) or other similar laws (including the obtaining of a moratorium in respect of any of its Indebtedness for Borrowed Money or any guarantee of any Indebtedness for Borrowed Money given by it) or (B) the Issuer makes a conveyance or assignment for the benefit of, takes any action for a readjustment or deferment of any of its obligations with, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or

(viii) if it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Trust Deed, the Agency Agreement or the Trust Deed, the Agency Agreement, or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer binding upon it in accordance with its terms, or any litigation, arbitration or administrative proceedings is current or pending to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under the Trust Deed, the Agency Agreement or any of the Notes; or

(ix) if (A) all or substantially all of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (B) the Issuer is prevented by any such person from exercising control over all or substantially all of its undertaking, assets and revenues; or

(x) if the Government declares a general moratorium with respect to the repayment of any indebtedness of the Issuer; or

(xi) if any event occurs which, under the laws of any relevant jurisdiction, has or may have, in the Trustee's opinion, an analogous effect to any of the events referred to in subparagraphs (iv) to (x) above.

(b) Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed and the Notes, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed or the Notes unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

10. REPLACEMENT OF NOTES

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Transfer Agent, subject in each case to all applicable laws, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer or the Transfer Agent may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

11. PRINCIPAL PAYING AGENT, TRANSFER AGENT AND REGISTRAR

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of the Registrar or the Principal Paying Agent and/or appoint additional or other Principal Paying Agent, Registrar or Transfer Agent and/or approve any change in the specified office through which the Principal Paying Agent and/or Registrar and/or Transfer Agent acts, provided that:

(a) there will at all times be a Principal Paying Agent and a Registrar;

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority or entity, there will at all times be a paying agent, which may be the Principal Paying Agent, and a Transfer Agent, which may be the Registrar, with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority or entity; and

(c) so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Global Certificate is exchanged for Notes in definitive form, there will at all times be a Paying Agent in Singapore. In addition, an announcement of such exchange will be made through the SGX-ST. Such announcement will include material information with respect to the delivery of the Definitive Certificates, including details of the Paying Agent in Singapore.

In acting under the Agency Agreement, the Principal Paying Agent acts solely as an agent of the Issuer and, in certain circumstances specified therein, of the Trustee and does not assume any obligation to, or relationship of agency or trust with, any Noteholders. The Agency Agreement contains provisions permitting any entity into which the Principal Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor principal paying agent.

12. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), the quorum shall be one or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting.

In addition, a resolution in writing signed by or on behalf of Noteholders of not less than 75 per cent. in principal amount of the Notes who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. 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 Noteholders.

The Trustee may agree, without the consent of the Noteholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven or to comply with mandatory provisions of law. Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders except to the extent already provided for in Condition 7 (*Taxation*) and/or any undertaking or covenant given in addition to, or in substitution for, Condition 7 (*Taxation*) pursuant to the Trust Deed.

13. INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

14. NOTICES

All notices to Noteholders will be deemed to be validly given if delivered by email to them and will be deemed to have been given on the date of such email and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, the Issuer shall ensure that such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. 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.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Registrar. Whilst any of the Notes are represented by the Global Certificate, such notice may be given by any holder of a Note to the Registrar through the Depository, in such manner as the Registrar and the Depository may approve for this purpose.

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear Bank SA/NV or Clearstream Banking S.A. or an alternative clearing system, notices to the Noteholders shall be validly given by the delivery of the relevant notice to Euroclear Bank SA/NV or Clearstream Banking S.A. or the alternative clearing system, for communication by it to entitled account holders in substitution for notification as required by the Conditions. For the avoidance of doubt, none of the Trustee, Principal Paying Agent, Registrar or Transfer Agent shall be required to publish any notice otherwise than through Euroclear Bank SA/NV or Clearstream Banking S.A. or an alternative clearing system, as applicable.

15. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single series with the outstanding Notes.

16. THIRD PARTY RIGHTS

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 (the "**Act**") but this does not affect any right or remedy of any person which exists or is available apart from the Act.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION

(a) Governing Law

The Trust Deed, the Notes and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement and the Notes are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Issuer irrevocably agrees, for the benefit of the Trustee and the Noteholders that the courts of England are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed and/or the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed and/or the Notes) and accordingly submits to the non-exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee and the Noteholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Trust Deed and the Notes (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed and the Notes) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

(c) Agent for Service of Process

The Issuer appoints Cogency Global (UK) Limited at its registered office at 6 Lloyds Avenue, Unit 4CL,London EC3N 3AX as its agent for service of process, and undertakes that, in the event of Cogency Global (UK) Limited ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(d) Waiver of immunity

The Issuer hereby irrevocably and unconditionally waives with respect to the Notes any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

(e) Other documents

The Issuer has in the Trust Deed and the Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

USE OF PROCEEDS

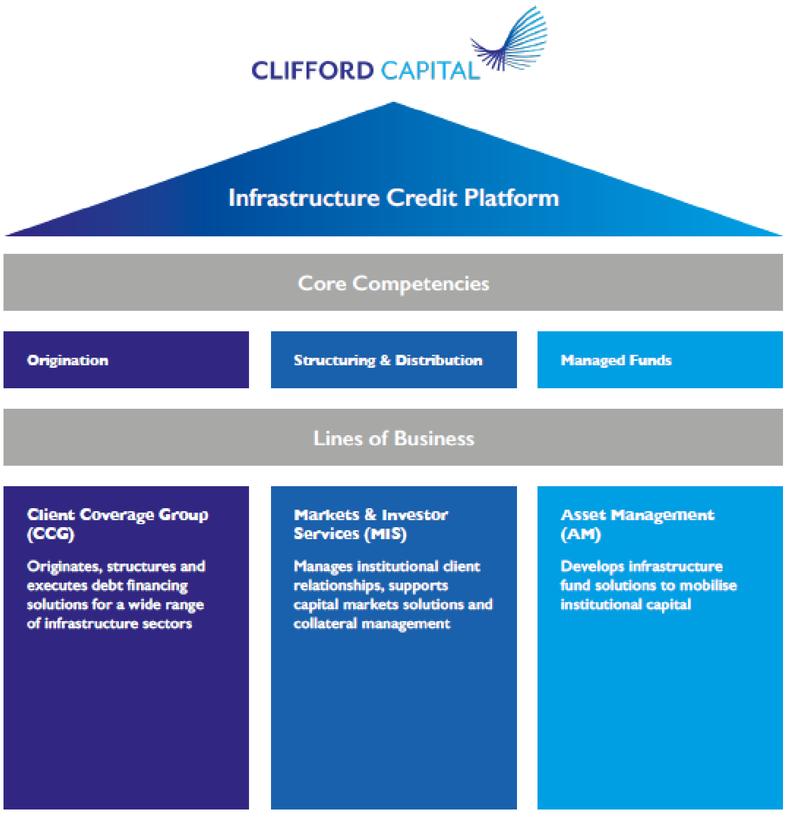
Clifford Capital intends to use the net proceeds raised from the issue of Notes after deducting fees and expenses for its general corporate purposes.

DESCRIPTION OF CLIFFORD CAPITAL AND CLIFFORD CAPITAL GROUP

OVERVIEW

Headquartered in Singapore, Clifford Capital Holdings Pte. Ltd. ("**Clifford Capital**") and its subsidiaries (collectively known as "**Clifford Capital Group**" or the "**Group**") is an infrastructure credit platform specialising in originating, structuring, managing, distributing and investing in infrastructure debt globally. The Group operates across three lines of business:

1. Client Coverage Group ("**CCG**") focuses on corporate client borrowing needs, structuring complex credit financing solutions, and deploying the Group's balance sheets effectively.
2. Markets and Investor Services ("**MIS**") serves institutional clients, partners with banks, structures and distributes infrastructure asset backed securities ("**IABS**"), and undertakes collateral and portfolio management of the Group's credit assets across different pools of capital.
3. Asset Management ("**CCAM**") focuses on managing third-party capital in infrastructure credit through separately management accounts ("**SMAs**") as well as funds.



Founded in 2012 with support from the Government of Singapore, Clifford Capital Group aims to deliver on certain key policy mandates including: (i) to catalyse the growth of Singapore-based companies in overseas markets by addressing cross-border financing gaps and (ii) to mobilise institutional capital into infrastructure markets globally and facilitate capital recycling by banks. In view of these policy mandates, Clifford Capital Group, through two of its Group entities – Clifford Capital Credit Solutions Pte. Ltd. (formerly known as Clifford Capital Pte. Ltd.) ("**CCCS**") and Clifford Capital Asset Finance Pte. Ltd. (formerly known as Bayfront Infrastructure Management Pte. Ltd.) ("**CCAF**"), together benefit from an aggregate amount of US$5.9 billion in guarantees from the Government of Singapore.

Since its inception in 2012, Clifford Capital Group has demonstrated a strong and sustained growth in innovative financing solutions for its corporate and institutional clients across a wide range of infrastructure sectors. As of 31 December 2024, the Clifford Capital Group has US$4.8 billion of assets under management ("**AUMs**").

IABS is Clifford Capital Group's flagship capital markets product. Clifford Capital Group pioneered the IABS product in July 2018 through Bayfront Infrastructure Capital Pte. Ltd. ("**Bayfront**"), which was the first ever securitisation of infrastructure debt in Asia. Since the first Bayfront transaction, Clifford Capital Group has established itself as a programmatic issuer of IABS and has raised more than US$2.7 billion across public issuances as of the date of this Information Memorandum.

Clifford Capital is the holding company for the businesses of Clifford Capital Group. A substantial part of Clifford Capital's assets are shareholdings in its subsidiaries. In addition, certain assets are booked on Clifford Capital's balance sheet, comprising primarily assets held by Clifford Capital prior to injection into the issuing vehicles of IABS issuances, assets targeted for the Asset Management business and Clifford Capital's investment in the equity tranches of, amongst others, IABS transactions and co-investments in CCAM managed funds as well as liquid bonds for asset and liability management.

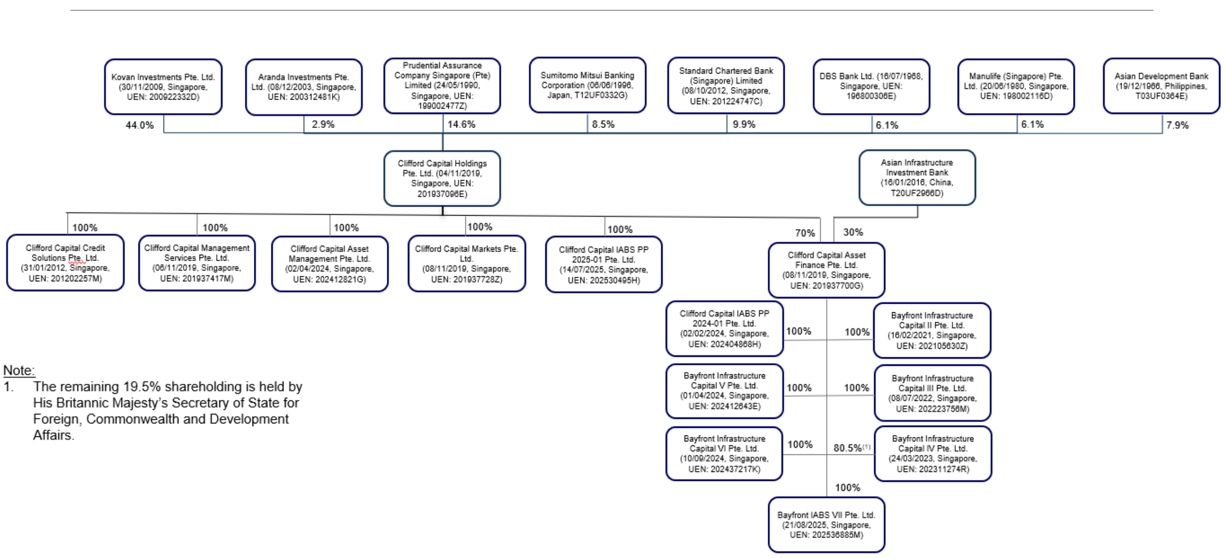
As at the date of this Information Memorandum, Clifford Capital carries long-term issuer ratings of AAA/Stable from Fitch Ratings ("**Fitch**"), AA+/Stable from S&P Global Ratings (a division of S&P Global Inc.) ("**S&P**") and Aa1/Stable from Moody's ("**Moody's**"), as well as short-term issuer ratings of F1+, A-1+ and P-1 from Fitch, S&P and Moody's, respectively.

As at the date of this Information Memorandum, Clifford Capital's share capital is held by a group of shareholders comprising Kovan Investments Pte. Ltd. ("**Kovan**") (44.0%), Aranda Investments Pte. Ltd. ("**Aranda**") (2.9%), Prudential Assurance Company Singapore (Pte) Limited (14.6%), the Asian Development Bank (7.9%), Standard Chartered Bank (Singapore) Limited (9.9%), Sumitomo Mitsui Banking Corporation (8.5%), DBS Bank Ltd. (6.1%) and Manulife (Singapore) Pte. Ltd. (6.1%). Kovan and Aranda are wholly-owned investment holding vehicles of Temasek.

CLIFFORD CAPITAL GROUP STRUCTURE CHART

The following diagram sets out an overview of the corporate structure of Clifford Capital Group, showing the key subsidiaries and shareholders as at the date of this Information Memorandum.

Clifford Capital Group Shareholding Structure



Note:

1. The remaining 19.5% shareholding is held by His Britannic Majesty's Secretary of State for Foreign, Commonwealth and Development Affairs.

BUSINESS STRATEGIES AND COMPETITIVE STRENGTHS

Clifford Capital Group leverages on an integrated business model across origination, structuring, distribution and managed funds to deliver innovative financing solutions for its corporate and institutional clients.

Clifford Capital Group's three lines of business operate on a synergistic basis as one unified Group:

1. CCG oversees all corporate client relationships and is responsible for structuring, arranging and underwriting syndicated and bilateral, conventional and bespoke loan financings across the debt capital structure, as well as participating in bond offerings. CCG is organised across four specialist groups – Energy & Utilities, Natural Resources, Transportation & Industrial, and Digital & Social Infrastructure, aligning with the definition of infrastructure as assets that deliver essential services. The Group's approach moves beyond traditional infrastructure definitions like core and/or core plus and instead recognises that modern economies have generated new infrastructure segments.

2. MIS works with Clifford Capital's institutional clients on asset distribution through syndication and secondary trading of infrastructure assets, capital markets structuring and distribution, and undertakes collateral and portfolio management activities on behalf of Clifford Capital Group and third parties. MIS is structured around three teams: Institutional Coverage, covering banks, insurers, pension funds, sovereign wealth funds, and other institutions, supports both the sale of underwritten credit and the purchase of secondary credit globally; Capital Markets Structuring & Distribution structures the public and private IABS issuances and other bespoke structured products; and Collateral Management, who monitors the progress and returns from assets on and off Clifford Capital's balance sheets and capital pools, while offering its portfolio management services to external parties as well (including in connection with IABS issuances).

3. CCAM is the newest line of business launched in January 2025 and operates under a Capital Markets Services License for fund management from the Monetary Authority of Singapore ("**MAS**"). It focuses on managing capital on behalf of external fund investors.

Clifford Capital Group's integrated operating model enhances its ability to leverage upon the diverse skill sets and broad experience of its various lines of business to operate across the entire infrastructure credit value chain, with a strong focus on capital efficiency and synergies. Clifford Capital Group adopts a multi-pronged origination strategy where it originates primary transactions from corporate clients through CCG and executes secondary market transactions with banks through MIS. Distribution is primarily led by MIS through loan syndication, IABS issuances and other bespoke structured credit solutions, while CCAM provides clients with a broader set of capital solutions (mezzanine finance for example) compared to those that were traditionally used, further differentiating and enhancing Clifford Capital Group's value proposition.

Clifford Capital is well positioned to benefit from the expected growth in infrastructure financing globally, and to capture opportunities from the large infrastructure investment gap.

The Organisation for Economic Co-operation and Development ("**OECD**") estimated in 2024 that the global economy will need to invest nearly 3.5% of GDP annually (equating to approximately US$4.2 trillion) to future-proof social, transport, energy and digital infrastructure against megatrends such as urbanisation, supply chain disruptions and artificial intelligence (AI) driven digitalisation. This trend of increasing demand for infrastructure financing is particularly pertinent in the Asia Pacific ("**APAC**") region. It is estimated that pproximately US$1.7 trillion is needed annually for infrastructure investments in Asia[1]. Further, of the infrastructure investment needed to reach net zero by 2050, approximately 40% lies in the APAC region[2].

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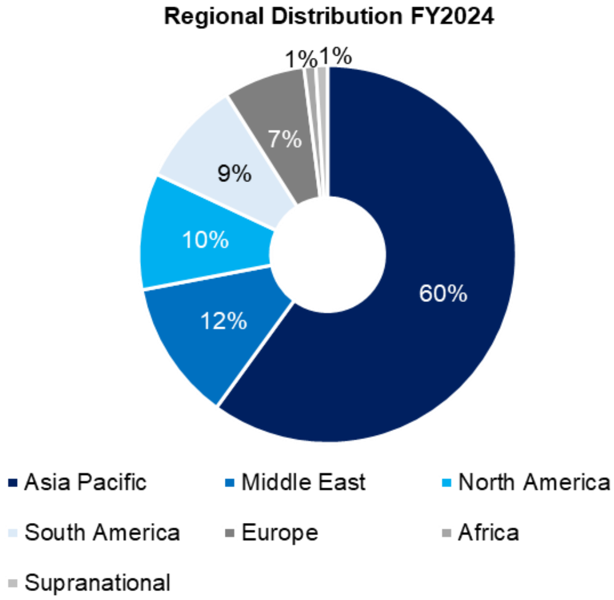
[1] Through 2030. Source: ADB, "Meeting Asia's Infrastructure Needs"
[2] Source: The Institutional Investors Group on Climate Change

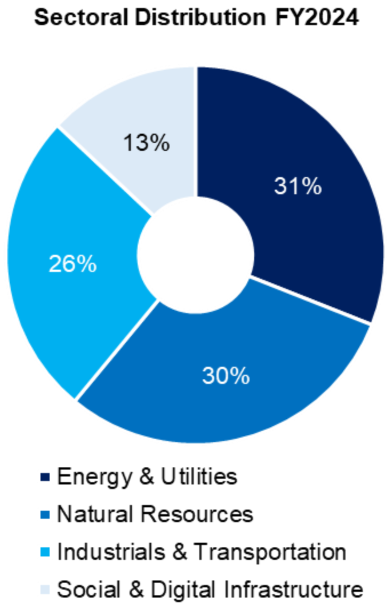
While commercial banks are expected to remain important sources of finance, evolving banking regulatory changes have increased the regulatory capital and liquidity challenges for commercial banks in providing long-term project finance. These changes are likely to exacerbate the infrastructure investment gap, creating significant potential opportunities for alternative sources of infrastructure finance.

Clifford Capital is uniquely positioned to help bridge the infrastructure investment gap and benefit from the growth in infrastructure financing requirements globally. Clifford Capital's key competitive advantages include (i) specialised sector and product expertise to structure and underwrite bespoke infrastructure credit transactions, (ii) ability to provide long tenor financing competitively, (iii) flexibility to deploy capital across the debt capital structure (from senior to mezzanine) and formats (loans and bonds), (iv) well established distribution capabilities that crowd in third-party institutional capital through its securitisation and asset management businesses and (v) strong sponsorship from the Government and close partnerships with the financing ecosystem (including commercial banks, development finance institutions and multilateral development banks).

As of 31 December 2024 and 31 December 2023, Clifford Capital Group's gross loans and investments amounted to US$4,682 million and US$3,987 million respectively, reflecting a year-on-year portfolio net increase of US$696 million. The Group's total outstanding commitments in relation to loans and investments as of 31 December 2024 amounted to US$5,691 million as compared to US$4,651 million as of 31 December 2023.

The charts below set out the Group's asset portfolio by regional and sectoral distributions based on outstanding commitments as of 31 December 2024:





Clifford Capital's ability to deliver on its key policy mandates and business is underpinned by the strong support and sponsorship of the Government of Singapore.

Two of Clifford Capital Group's entities, CCCS and CCAF, benefit from an aggregate amount of US$5.9 billion in guarantees from the Government of Singapore. The Government of Singapore has a sovereign credit rating of AAA, AAA and Aaa from Fitch, S&P and Moody's, respectively. The funding guarantees provided to CCCS and CCAF allow them to raise debt from commercial banks, euro commercial paper and medium-term notes issuance, at competitive rates. The funding guarantees significantly improve Clifford Capital Group's cost of funding, which in turn enhances the Group's ability to deliver on its policy mandates and business strategies.

The Group's policy mandates have also evolved and expanded over time in response to global and regional macroeconomic and financing trends, as well as the Government of Singapore' strategic priorities. Starting from the first mandate given to CCCS in 2012, which was to help catalyse the growth of Singapore-based companies in overseas markets by addressing cross-border financing gaps and providing credit solutions to these clients, to the mandate given to CCAF at its inception in 2019 to mobilise institutional capital into infrastructure markets globally (mainly through the IABS programme) and facilitate capital recycling by banks, Clifford Capital Group seeks to support the national agenda of the Government of Singapore to anchor Singapore as the leading green and sustainable financing hub in the Asia-Pacific region.

Asset management (through CCAM) represents the Clifford Capital Group's third business line, which was established to augment the existing infrastructure credit financing and distribution capabilities of CCG and MIS.

CCAM structures funds that are targeted at raising capital from institutional investors seeking to gain exposure to infrastructure credit. Leveraging on an established network of institutional relationships that have been developed and maintained by MIS, CCAM seeks to fundraise from a global investor base that spans across Asia Pacific, the Middle East, Europe and North America. CCAM also has access to a steady pipeline of infrastructure loans and bonds originated by CCG, which are subject to independent selection to ensure the buildup of high-quality fund portfolios that match the risk-return expectations of its client base.

CCAM is currently in active engagement with the Monetary Authority of Singapore ("**MAS**") to manage the Energy Transition Acceleration Finance ("**ETAF**") partnership. ETAF seeks to mobilise concessional and private capital to scale the financing of energy transition projects in Asia.

Growing business relationships allows Clifford Capital Group to further its standing as a full-service infrastructure credit platform, consolidate Singapore's position as the core infrastructure financing hub in Asia-Pacific. Apart from the support from the Government of Singapore and MAS, Clifford Capital Group is also deeply entrenched in the Singapore and regional infrastructure finance ecosystem, through its connections and relationships with key stakeholders.

These stakeholder relationships complement Clifford Capital Group's interactions with its clients, including but not limited to CCG's corporate and financial sponsor clients, MIS' partner banks and institutional investors, and CCAM's SMA clients and funds' limited partners, in helping to drive further business opportunities and further strengthen the Group's domain expertise in relevant infrastructure debt markets and sectors worldwide.

Robust governance structure and experienced management team.

Clifford Capital Group's approach to corporate governance and risk management aims to ensure its financial soundness and safeguard its government mandate and the interests of its stakeholders. Corporate governance and risk management starts at the top, with the Clifford Capital Board of Directors (the "**Clifford Capital Board**") overseeing a governance structure that is designed to ensure that Clifford Capital Group's activities are conducted in a safe and sound manner, consistent with its overall business strategy and risk appetite, and subject to adequate risk management and internal controls.

Within Clifford Capital Group, various Clifford Capital Board Committees have also been formed to ensure consistency of corporate governance across entities and businesses within Clifford Capital Group. This includes the Governance and Nominations Committee, Leadership Development and Compensation Committee, Risk Committee, ESG Committee and the Audit Committee. *See section on "**Clifford Capital Board Committees**" for more information on each committee.*

The Clifford Capital Executive Committee (the "**Clifford Capital ExCo**") reports directly to the Clifford Capital Board and has been delegated responsibilities to steer the Clifford Capital Group's operations. Among its duties, the Clifford Capital ExCo is responsible for establishing the annual business plans and budgets for Clifford Capital Group, as well as approving actions and transactions within the framework of the Group RFPP. Additionally, the Clifford Capital ExCo reviews financial and operational performance, designs Group-wide strategic initiatives, and ensures alignment of interests across the Clifford Capital Group.

The Clifford Capital ExCo comprises highly experienced senior management team members, which includes executives with deep expertise in the financial services sector and in the infrastructure and project finance sectors, driving the ability to deliver on the Group's business strategy with in-depth knowledge of the asset class and market developments. The Clifford Capital ExCo has developed strong working relationships with business partners and key stakeholders, and has accumulated extensive experience in, and substantial understanding of, the markets and business lines in which Clifford Capital Group operates. The capability of the Clifford Capital ExCo has been demonstrated by the strong track record of Clifford Capital Group's operational and financial performance.

Comprehensive risk management framework and credit review and approval process.

Risk management is an integral part of the overall business strategy of Clifford Capital Group. A comprehensive risk management and control framework covering areas of credit, environmental, social and governance ("**ESG**"), funding and liquidity, legal and compliance, operational, reputational and conduct risks, has been put in place – pursuant to the Clifford Capital Group Risk Framework, Policies and Processes (the "**RFPP**") and other Group Policies.

The Clifford Capital Board has overall responsibility for the establishment and oversight of the Group's RFPP. The Clifford Capital Board is in turn assisted in its oversight of risk management and controls by the Risk Committee, the ESG Committee, and the Clifford Capital ExCo.

The Credit Committee (see "***Clifford Capital Executive Committee***" for the members of the Credit Committee) has been delegated the authority to approve new transactions in accordance with the RFPP. The Clifford Capital Credit Committee has the delegated authority to approve the following, among others:

- any single transaction related to Clifford Capital Group entities' lending, investments, participation in tenders and bids within defined parameters and limits in accordance with the RFPP; and
- purchase of credit protection and other forms of risk mitigation instruments.

Clifford Capital Group utilises a multi-layered credit review process to ensure that its loans and investments are subject to a robust due diligence investigation before being admitted for consideration. Any transactions that deviate from the RFPP can be approved by the Credit Committee following approval, where required, by the Risk Committee for exceptions to the relevant policy.

For lending exposures, Clifford Capital Group applies the RFPP in the evaluation of all new investments, loans and advances. The internal credit rating methodology and loss given default methodology, an integral part of the RFPP, are used to determine the probability of expected losses arising from a default. These methodologies take into account many factors such as the financial metrics of the counterparty, country risk, legal enforceability, structural protection and security package in its credit risk assessment. These quantitative factors and qualitative assessments are used in the decision-making process, credit approval, monitoring, reporting and internal assessment of the adequacy of impairment allowance. Credit risk is managed with a view to achieving optimal risk-reward performance whilst maintaining exposures within acceptable risk appetite parameters.

The RFPP is subject to ongoing review to ensure changes in market conditions and activities of the relevant Clifford Capital Group entity are reflected.

GROUP RISK FRAMEWORK, POLICIES AND PROCESSES

Credit risk

Credit risk is the risk of financial loss to Clifford Capital Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Clifford Capital Group's commercial lending business, cash placement and derivative transactions. Clifford Capital has robust processes in place to assess the credit risk of new loans and investments and actively monitors its exposure to credit risk on an on-going basis.

Liquidity risk

Liquidity risk is the risk that Clifford Capital Group is unable to meet payment obligations when they become due or only able to meet the obligations at excessive costs. Clifford Capital Group strives to maintain diversified sources of funding including capital market issuances and bank borrowings to ensure a flexible and cost-efficient funding base. Other than maintaining an adequate level of cash and cash equivalents to meet expected operational expenses, including the servicing of financial obligations, Clifford Capital Group also maintains committed lines of credit with banks and financial institutions, which serve as counterbalancing capacity, to meet any potential cash shortfalls.

Foreign currency risk

As the functional currency of the financial statements for Clifford Capital Group is US dollars, it is exposed to foreign currency risk on assets, incomes or expenses that are denominated in currencies other than US dollars where the exposures are not hedged. Exposure to currency risk is monitored on an ongoing basis and Clifford Capital Group's policy is to keep the net exposure to an acceptable risk tolerance level. In managing its exposure to foreign currency risk, Clifford Capital Group may use a combination of derivative instruments and liability hedge.

Interest rate risk

Interest rate risk is the impact to earnings and economic value of Clifford Capital Group due to fluctuations in interest rates. Interest rate exposure may arise from mismatches in the interest rate profile of assets and liabilities. These mismatches could arise from different tenor profiles and the use of different interest rate benchmarks. Clifford Capital Group adopts a portfolio approach in evaluating and managing its interest rate risk. This policy, adopted by the board of each Clifford Capital entity, sets out the measurement methods as well as the risk tolerance limits. In managing its interest rate exposure, Clifford Capital Group may use various methods and instruments, including derivatives such as interest rate swaps and treasury locks. Exposure to interest rate risks is monitored on an ongoing basis and regularly reported to the Clifford Capital Risk Committee and the board of each Clifford Capital entity to ensure compliance with the group policies.

ESG Risk Framework

Clifford Capital Group's ESG Risk Framework reflects the Group's commitment to understanding and managing the potential reputational and credit risk associated with doing business with clients exposed to ESG risks. ESG risks may arise from environmental and social ("**E&S**") risk, climate risk, and governance risk arising from clients and their business activities.

The ESG Risk Framework supports the consistent identification, escalation, management, and monitoring of ESG risks, setting out the minimum standards against which the lines of business conduct pre-screening, due diligence and post-investment monitoring.

All potential investments are reviewed using the ESG Risk Framework prior to any financing. The objectives of the ESG Risk Framework are to provide a methodology for implementing the following:

(i) evaluate ESG risks associated with transactions undertaken by the Clifford Capital Group, identifying and appropriately addressing any impacts that may consequently arise.

(ii) integrate ESG considerations into the review of transactions, to manage ESG risks on an ongoing basis; and

(iii) articulate procedures and guidelines in managing and mitigating these risks, impacts and opportunities.

The ESG Risk Framework includes a "Traffic Light" classification system which draws extensively on the Singapore-Asia Taxonomy issued by the MAS in December 2023 (the "**Singapore-Asia Taxonomy**"), adapted for Clifford Capital Group's policy mandates and emissions glidepath. Identifying new transactions as "Green", "Amber" or "Red" helps to steer the Clifford Capital Group's portfolio in terms of risk and alignment to the energy transition.

In addition, Clifford Capital Group has identified a list of prohibited activities which would trigger a "no go" on any transaction (the "**Exclusion List**"). Clifford Capital Group may nonetheless consider transactions which are aligned with the policies of the Government in fulfilling its policy mandates. To the extent that any transactions deviate from the Exclusion List, participation by any Clifford Capital Group entity will be subject to approval from the Clifford Capital ESG Committee. The Exclusion List can be found within Clifford Capital Group's Sustainable Finance Framework, which is available on Clifford Capital's website currently located at https://www.cliffordcapital.sg/sustainability.

In addition to reviewing E&S risks associated with transactions, Clifford Capital Group assesses the impact of climate change on its loans and investments, assessing the climate related risks and emissions intensity of each individual investment. A climate risk scorecard (covering transition and physical risk) is used to screen each prospective financing.

Lastly, prior to participating in any transaction, Clifford Capital Group will identify any potential material governance risks of the underlying borrower or sponsor based on available information, including from the borrower and the public domain. In the event that material governance risks are identified, these will be raised and discussed with the underlying borrower or sponsors.

Operational Risk Management Framework

Operational risk is the potential loss resulting from inadequate or failed internal processes, people and systems or from external events. Clifford Capital Group's target residual operational risk appetite is low both from a financial and reputational risk perspective. As part of the Operational Risk Management ("**ORM**") Framework, an ORM Committee has been established to review the results of internal operational risk checks as well as controls in place for new processes or products. Operational risk findings are documented and tracked on an ongoing basis. Key issues raised and discussed during ORM Committee meetings, which are held on a quarterly basis, are then reported to the Risk Committee.

Reputational Risk Framework

Reputational risks are managed in accordance with the Group Reputational Risk Framework to ensure a consistent approach across Clifford Capital Group. Reputational risks arising from transactions which Clifford Capital Group may be involved in are managed pre-closing (through processes for identification, assessment and escalation of reputational risk for potential new transactions) and monitored post-closing (as part of Clifford Capital Group's portfolio management process). In addition, the Group Reputational Risk Framework puts in place processes to mitigate other sources of reputational risk. To proactively manage reputational risks arising from a transaction or otherwise, Clifford Capital Group has a group-wide Crisis Communications Plan to coordinate communication efforts during a crisis.

Capital management

Clifford Capital Group's capital management objectives are to maintain an optimal capital structure to support Clifford Capital Group's business growth, maintain a prudent financial position and deliver sustainable returns to shareholders. The board of each Clifford Capital Group entity maintains an oversight of the capital management process by periodically reviewing such entity's capital allocation, gearing, liquidity and funding sources to enhance shareholders' returns while ensuring that such entity's liquidity requirements and financial covenants in connection with its borrowings are met at all times.

Related Party Transactions

For a description of Clifford Capital Group's significant related party transactions, see note 25 of the audited financial statements of Clifford Capital Group for the years ended 31 December 2022, 31 December 2023 and 31 December 2024 included elsewhere in this Information Memorandum.

Entities within Clifford Capital Group may from time to time engage in transactions with related parties. Such transactions may include service fees paid to the group service company, sale of loans to related companies, and investment in the note issuance of related companies.

For conflicts of interest management purposes, the Related Party Transaction Policy requires (in the case of each Clifford Capital Group entity) related party transactions in the ordinary course of business to be approved by Clifford Capital ExCo while all other related party transactions require the approval of the board of the relevant Clifford Capital Group entities.

Results of operations for FY2024 and FY2023

The Group's net interest income increased from US$110.3 million in FY2023 to US$126.1 million in FY2024. The increase of US$15.7 million, representing a 14.3 per cent. year-on-year increase, was underpinned by increased asset volumes.

Non-interest income increased from a US$2.5 million net expense in FY2023 to a US$19.6 million net income in FY2024. The increase was primarily due to higher fee income and a one-off gain from disposal of a financial asset.

Total operating expenses increased by US$10.8 million or 26.1 per cent. from US$41.6 million in FY2023 to US$52.5 million in FY2024. The increase was primarily attributable to higher staff costs and professional fees.

The Group recognised a US$21.7 million impairment loss in FY2024, an increase of US$16.1 million compared to an impairment loss of US$5.6 million recognised in FY2023. The year-over-year increase was primarily due to a one-off recovery of $14.0m on a single asset in FY2023. The cumulative ECL provision reduced from US$52.3 million 31 December 2023 to US$43.1 million 31 December 2024 driven by Stage 3 assets. The Stage 3 assets as a percentage of the total loan and investment portfolio decreased from 2.1 per cent. 31 December 2023 to 0.8 per cent 31 December 2024.

See note 3.3 to the audited financial statements for FY2024 for details regarding the Group's asset impairment and loan loss provisioning allowances.

The Group recorded a net profit[3] of US$65.7 million in FY2024, compared to a net profit[4] of US$58.3 million for FY2023. The increase in its net profit[5] was mainly attributable to an increase of US$37.8 million in net

[3] *"Increase in net assets attributable to Equity holders and BIC II Preference Shareholder"* in Clifford Capital's FY2024 audited financial statements

[4] *"Increase in net assets attributable to Equity holders and BIC II Preference Shareholder"* in Clifford Capital's FY2024 audited financial statements

[5] *"Increase in net assets attributable to Equity holders and BIC II Preference Shareholder"* in Clifford Capital's FY2024 audited financial statements

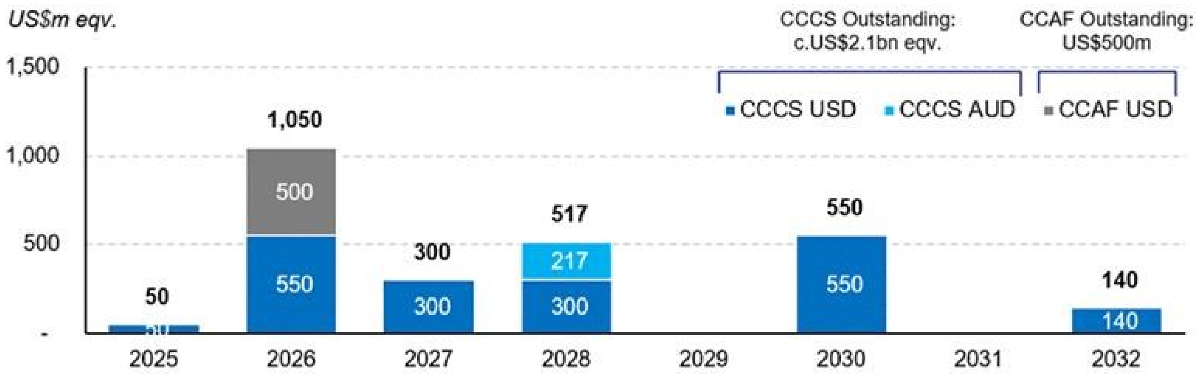
operating income, offset by a US$16.1 million increase in impairment loss, US$10.8 million increase in operating expenses and US$3.6 million increase in income tax expense.

Liquidity and Funding

Clifford Capital Group's funding sources are shareholder equity, capital market issuances and bank borrowings.

As at 31 December 2024, Clifford Capital's key operating subsidiaries had outstanding bonds, euro medium term notes ("**EMTN**") and euro commercial papers ("**ECP**"). CCCS had an aggregate outstanding principal amount of US$1,607 million of notes issued under its US$2.5 billion EMTN programme and CCAF had an outstanding US$500 million standalone bond issuance. Both CCCS and CCAF also issue ECP under their respective ECP programmes. As at 31 December 2024, CCCS had an aggregate outstanding principal amount of US$365 million of notes issued under its US$700 million ECP programme and CCAF had US$484 million of notes issued under its US$500 million ECP programme.

The diagram below sets out the bond maturity profile of CCCS and CCAF as of 31 March 2025:



Aside from the capital markets issuances, the Group's funding was also supplemented by US$291 million in bank loans as at 31 December 2024.

Cash and cash equivalents decreased from US$494 million as at 31 December 2023 to US$372 million as at 31 December 2024. The reduction was primarily due to funding of the asset pipeline.

CLIFFORD CAPITAL BOARD COMMITTEES

Governance and Nominations Committee

The Governance and Nominations Committee assists the board of the Clifford Capital Group to review its corporate governance framework, oversees reputational risk management, manage the nomination, appointment and termination process of all of its directors, and develop succession plans for all of its directors, taking into account board diversity, independence, knowledge and experience of each director.

Leadership Development and Compensation Committee

The Leadership Development and Compensation Committee assists the board of the Clifford Capital Group in reviewing compensation policies for all of its directors and employees, establishing and reviewing the performance review process for all employees, including the Group Chief Executive Officer, overseeing the development of a talent management framework and plan.

Risk Committee

The Risk Committee assists the board of the Clifford Capital Group, among others, in fulfilling its oversight responsibilities by providing risk governance guidance in the establishment and supervision of an appropriate risk management and control framework covering areas including credit, market, liquidity and funding, legal, compliance, operational and conduct risks. The Risk Committee is also responsible for reviewing and monitoring Clifford Capital Group's portfolio performance and approving any exceptions to the RFPP.

ESG Committee

The ESG Committee assists the Clifford Capital Group in fulfilling its oversight responsibilities related to material environmental, social and governance matters including but not limited to climate change. Dedicated oversight of ESG matters by the ESG Committee assists the board of the Clifford Capital Group in discharging its duties to stay abreast of rapidly evolving ESG risks and opportunities and ensure a holistic focus and coordination.

Audit Committee

The Audit Committee assists the board of the Clifford Capital Group, among others, in fulfilling its oversight responsibilities by reviewing key financial reporting issues and judgements so as to ensure the integrity of its financial statements, reviewing the adequacy of internal controls, reviewing the scope, approach, results and cost effectiveness of the internal audit and external audit functions and the independence of both internal and external auditors, making recommendations on the appointment, re-appointment and removal of the external auditor and the internal auditor and their respective terms of engagement, amongst other matters.

BOARD OF DIRECTORS AND MANAGEMENT

BOARD OF DIRECTORS

The Clifford Capital Board has the ultimate responsibility for the administration of the affairs of Clifford Capital Group. Clifford Capital's Constitution provides for a Board of Directors of up to 12 persons. As at the date of this Information Memorandum, the Clifford Capital Board consists of 11 members, as follows:

Name	Position
Mr Sanjiv Misra	Chairman
Mr Patrick Lee Fook Yau	Director
Ms Teo Swee Lian	Director
Mr Lee Chuan Teck	Director
Mr Elbert Jacobus Pattijn	Director
Ms Park Kyung-Ah	Director
Mr Guy Daniel Harvey Samuel	Director
Mr Jackie Bhagwandas Surtani	Director
Ms Yong Ying-I	Director
Mr Luca Serafino Tonello	Director
Mr Parampally Murlidhar Maiya	Director and Group Chief Executive Officer

Mr Sanjiv Misra is the non-executive Chairman of Clifford Capital, CCCS, CCAF and CCAM. He is Chairman of the Asia Pacific Advisory Board for Apollo Global Management, a global private equity and alternative asset management firm, and President and Executive Director of Phoenix Advisers, a boutique advisory and principal investing firm. He also serves as a Non-executive Director of Partners Capital Investment Group LLP, BW Group Limited and BW LPG Limited. He has previously served on the boards of listed and unlisted companies, including roles as an Independent and Non-executive Director of Olam Group Limited, a Non-executive Director of EDBI Pte Ltd, and Lead Independent Director of OUE Hospitality REIT Management and OUE Hospitality Trust Management. He has extensive investment banking and management experience at Goldman Sachs and Citigroup. He held several senior positions at Citi; Head of Asia Pacific Investment Banking; Head of the Asia Pacific Corporate Bank; CEO of Citi's Institutional businesses in Singapore and Brunei and Citi Country Officer in Singapore. He previously spent ten years at Goldman Sachs in New York, Hong Kong and Singapore. He holds a Bachelor of Arts Degree in Economics from St. Stephen's College, Delhi University, a Post-Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad, and a Master of Management from the J.L. Kellogg Graduate School of Management at Northwestern University. He is a citizen of Singapore.

Mr Patrick Lee Fook Yau is a non-executive director of Clifford Capital and CCCS. He is the Chief Executive Officer of Singapore and ASEAN, Standard Chartered Bank. Prior to that, he was Standard Chartered's CEO Singapore and Head of Global Banking, Singapore; Managing Director, Head of South East Asia Investment Banking at Nomura; Head of Singapore/Malaysia Investment Banking at UBS and Executive Director, Investment Banking at Morgan Stanley. He has over 25 years of experience in the banking industry, including corporate and investment banking, product and sector coverage, and has held roles in Singapore, Hong Kong and London. He graduated with BA (First Class Honors) and MA in English from Trinity College, Cambridge.

Ms Teo Swee Lian is a non-executive director of Clifford Capital and CCCS. She is the Chairman of CapitaLand Integrated Commercial Trust Management Limited, a Non-executive and Independent Director of HSBC Holdings plc, and the Chairman and Non-executive Non-independent Director of Singapore Post Limited. She was Special Advisor in the Managing Director's Office at the Monetary Authority of Singapore (MAS). Prior to that, she was the Deputy Managing Director of Financial Supervision, where she oversaw macroeconomic surveillance, regulation and supervision of the banking, insurance and capital markets industries in Singapore. During her time with MAS, she also worked in reserves management, development, external relations and strategic planning. She was awarded the Public Administration Medal (Gold) (Bar) at the Singapore National Day Awards 2012. She holds a Bachelor of Science (First Class Honours) in Mathematics from Imperial College, London University and a Master of Science in Applied Statistics from Oxford University.

Mr Lee Chuan Teck is a non-executive director of Clifford Capital, CCCS and CCAF. He is the Executive Chairman of Enterprise Singapore, which is the government agency championing enterprise development. The agency works with committed companies to build capabilities, innovate and internationalise. It also supports the growth of Singapore as a hub for global trading and startups, and builds trust in Singapore's products and services through quality and standards. Previously Enterprise Singapore's Chief Executive Officer, Chuan Teck was appointed as Executive Chairman on 1 April 2024. Prior to this, he was Permanent Secretary (Development) of the Ministry of Trade and Industry from June 2018 to April 2023 where he was responsible for the development of Singapore-based enterprises, and oversaw the tourism and energy sectors, as well as competition and consumer protection issues. On the trade front, he focused on expanding economic connectivity and strengthening bilateral economic relationships with Southeast, South and Central Asia and Latin America. He started his public service career with the Monetary Authority of Singapore in 1992 covering various roles, including reserves investment, monetary policy and capital market regulation. In 2014, he was appointed Deputy Secretary (Land and Corporate) of the Ministry of Transport, where he led the restructuring of the public bus and rail sector and spearheaded the deployment of autonomous vehicles in Singapore. He also serves on the boards of the Economic Development Board, National Research Foundation, Singapore Trade Data Exchange Services Pte Ltd, and Singapore Health Services Pte Ltd. He was conferred the Public Administration Medal (Gold) in 2021.

Mr Elbert Jacobus Pattijn is a non-executive director of Clifford Capital and CCCS. He retired as the Chief Risk Officer of DBS Group Holdings in 2018, where he was responsible for the management of credit, market, liquidity and operational risks. Prior to this, he was Managing Director and Head of Specialised Corporate and Investment Banking, responsible for DBS' corporate and investment banking activities. He has more than three decades of experience in the banking industry and has held progressively senior positions at Barclays Bank, ABN Amro and ING Group prior to joining DBS. Between 31 Jan 2012 and 17 Mar 2015, Elbert was DBS' nominee Director to CCCS and he was the Risk Committee Chairman between December 2012 and March 2015. A Dutch national, he holds a Master's degree in Law from the University of Leiden in The Netherlands.

Ms Park Kyung-Ah is a non-executive director of Clifford Capital, CCCS and CCAM. She is Chief Sustainability Officer at Temasek, responsible for advancing Temasek's sustainability strategy to build a climate resilient, net zero portfolio and to enable nature positive and inclusive growth. She works with investment teams to shape the portfolio, integrate sustainability into investment decisions, and engage portfolio companies to deliver long-term sustainable returns. She also partners with teams across Temasek and the ecosystem to catalyse sustainable solutions, advance thought leadership, and support institutional sustainability initiatives. Kyung-Ah has over two decades of experience in the finance industry, the majority of which was dedicated to building and leading the global environmental markets initiatives at Goldman Sachs and advancing innovative finance solutions to address climate change. She was the head of Environmental Markets and Innovation and a member of the Sustainable Finance Steering Group. She joined Goldman Sachs in Mergers & Acquisitions and worked in New York and Hong Kong. Prior to Goldman Sachs, she was at McKinsey in South Korea and South Africa. Kyung-Ah has an MBA from Harvard Business School and a BA from Yonsei University in Korea. She serves on the Board of

ClimateWorks Foundation. She is a Fellow of the 2023 class of the Finance Leaders Fellowship and a member of the Aspen Global Leadership Network.

Mr Guy Daniel Harvey Samuel is a non-executive director of Clifford Capital and CCCS. He is currently a Board Member of Wing Tai Holdings Limited, Mapletree Industrial Trust Management Ltd and M1 Limited. He is also Chairman of Capella Hotel Group Pte Ltd. In the past he has also served on the boards of Surbana Jurong Private Limited, JTC Corporation, The National Arts Council and the National Parks Board, and was the Chairman of the Board of Trustees of the National Youth Achievement Award Council and Vice Chairman of the Community Chest. He was formerly the non-executive Chairman of HSBC Bank (Singapore) Limited, following his retirement as Group General Manager, Chief Executive Officer of Singapore with The HSBC Group in 2017. He was also a member of HSBC Asia's Executive Committee and had direct responsibility for all HSBC operations in Singapore. Prior to that, he was HSBC's Group General Manager and Head of International Countries, Asia Pacific based in Hong Kong. He joined HSBC in 1978 and has worked in 12 different countries across the world, undertaking senior management roles in Australia, the United Kingdom, Hong Kong, Malaysia and Singapore. Guy is a Singapore citizen and a Justice of the Peace. He is married with two adult sons.

Mr Jackie Bhagwandas Surtani is a non-executive director of Clifford Capital and CCCS. He is the Regional Director for the Asian Development Bank's Singapore Office. His last role within ADB prior to relocation to Singapore was Director of the Infrastructure Finance Division covering East Asia, Southeast Asia and the Pacific in the Private Sector Operations Department of the Asian Development Bank. Prior to re-joining ADB in 2017, he was Regional Chief Risk Officer of the Asian commercial finance unit at Siemens Financial Services. He has also held several senior positions in Project Finance teams across Chase Manhattan Bank (now JP Morgan), Credit Suisse, and Head of KBC Bank's Asian Project Finance business in Hong Kong, Singapore, and Sydney from inception for 14 years. He has over 32 years of experience in Asian infrastructure lending and advisory. In particular, he has extensive experience in the South-East Asia power sector and has led several ground-breaking and innovative transactions that have been recognized by leading industry publications. He graduated with a First Class Honours degree with a Bachelor of Science from the University of East Anglia and obtained his Master of Philosophy degree in Management Studies from the University of Oxford.

Ms Yong Ying-I is a non-executive director of Clifford Capital and CCCS. She is Chairman of the Central Provident Fund Board and Senior Adviser (Smart Nation & Digital Economy – Research, Innovation, Enterprise) at Smart Nation Group, Ministry of Communications & Information ("MCI"). She chairs SG-Innovate, a Government-owned high-tech venture-building entity. She is also Deputy Chairman of the Singapore Symphony Group, and serves on the boards of SingTel and its subsidiary, Nxera, and on National University Health System. She also chairs a NGO youth group, CyberYouth Sg. A career civil servant, she has held many leadership positions in the Singapore Public Service prior to her retirement in 2022. This included six Permanent Secretary appointments in three ministries (Manpower, Health, and Communications & Information) and in three departments in the Prime Minister's Office (Public Service, National Research & Development, and Cybersecurity). She has also served as Principal Private Secretary to then-DPM Lee Hsien Loong, and chaired Government agencies such as Infocomm Development Authority, Workforce Development Agency, Ministry of Health Holdings, and Civil Service College. In her career, she has been closely involved in manpower policies and talent development, leadership and organisational transformation, development of Singapore's science, technology, and innovation ecosystem, and national infocomm and digital journey. In her current Senior Advisor role at MCI, she co-chairs several of International Advisory Panels in digital technologies, including AI Sg, Future Communications, and Cybersecurity. Ying-I holds a Master of Economics from the University of Cambridge and a Master of Business Administration from Harvard Graduate School of Business. She was awarded the Public Administration Medal (Silver) in 1997 and the Public Administration Medal (Gold) in 2005.

Mr Luca Serafino Tonello is a non-executive director of Clifford Capital and CCCS. He is Managing Director of the Structured Finance Department of Sumitomo Mitsui Banking Corporation (SMBC) in Asia Pacific. He leads his team to provide one-stop financing solutions and advisory services to meet the complex needs of clients across multiple sectors, with a focus on energy, infrastructure and sustainability-related sectors. With more than 20 years of experience in infrastructure and energy finance, he has established himself as an industry thought leader in Asia Pacific and is often featured as a speaker at conferences focused on energy and infrastructure. He is a board member of ASEEM Infrastructure Finance. He is also on the alliance board of Infrastructure Asia, a government initiative aimed at positioning Singapore as the infrastructure hub in ASEAN. Luca grew up near Turin in Italy, where he graduated in Mechanical Engineering with a major in energy. He holds a Master in Finance from the London Business School.

Mr Parampally Murlidhar Maiya is the Group Chief Executive Officer and an executive director of Clifford Capital. He is also a director of CCCS, CCAF and CCAM. He joined Clifford Capital in 2023 and is responsible for the overall performance and strategic direction of Clifford Capital. Murli has 30 years of experience in investment banking across product and industry groups. Prior to joining Clifford Capital, he worked within the investment bank at JPMorgan and its affiliates for nearly three decades in Hong Kong, Singapore and India. During his time at JPMorgan, he ran several regional businesses, including APAC Investment Banking, APAC Equity Capital Markets, APAC Financial Institutions coverage and Asia ex-Japan Debt Capital Markets. He has also acted as JP Morgan's regional CEO for South and Southeast Asia. He holds an MBA from the India Institute of Management (Kolkata) and a Bachelor of Engineering (Mechanical) from the National Institute of Technology in Karnataka, India.

CLIFFORD CAPITAL EXECUTIVE COMMITTEE

The Clifford Capital ExCo reports directly to the Clifford Capital Board and has been delegated responsibilities to steer the Clifford Capital Group's operations. Among its duties, the Clifford Capital ExCo is responsible for establishing the annual business plans and budgets for Clifford Capital Group, as well as approving actions and transactions within the framework of the Group RFPP. Additionally, the Clifford Capital ExCo reviews financial and operational performance, designs Group-wide strategic initiatives, and ensures alignment of interests across the Clifford Capital Group.

The Clifford Capital Credit Committee, which has a specific mandate to approve actions and transactions within its delegated authority following the guidelines established in the Group RFPP, is constituted with voting and non-voting members from the Clifford Capital ExCo.

Summary biographies of the members of Clifford Capital ExCo are set out below:

Name	Position
Mr Parampally Murlidhar Maiya*	Group Chief Executive Officer
Ms Low Li Ping, Audra*	Group Head of Client Coverage
Mr Tan Hanjie Nicholas*...	Group Head of Markets & Investor Services
Ms Lily Choh Chaw Lee#	Group Head of Asset Management
Mr Richard Wainwright Cox*	Group Chief Risk Officer
Mr Herman Wijaya..	Group Chief Financial Officer
Mr David James Moffat	Group General Counsel

Ms Florence Lee Hui Ching..	Group Chief Human Resources Officer
Ms Lily Low..	Group Chief of Staff

* Voting members of the Clifford Capital Credit Committee

Joining in October 2025

Mr Parampally Murlidhar Maiya. See "*Board of Directors and Management – Board of Directors*".

Ms Low Li Ping, Audra is an executive director and the Chief Executive Officer of CCCS and the Group Head of Client Coverage. Since joining Clifford Capital Group at its inception in 2012 as Head of Origination and Structuring, Audra had spearheaded the growth of the Clifford Capital Group franchise in the relevant project and asset finance markets across the sectors covered by Clifford Capital Group. She brings with her a wealth of experience working with Singapore-based companies on infrastructure projects locally and overseas. Prior to Clifford Capital Group, she spent 12 years in project finance with HSBC, playing a key role in the origination and financing of numerous award-winning projects in South East Asia, both as financial advisor and lead arranger. Audra has an MBA from New York University Stern School of Business and a Bachelor of Accountancy from Nanyang Technological University.

Mr Tan Hanjie Nicholas is the Group Head of Markets & Investor Services and Chief Executive Officer of CCAF. He was previously the Chief Operating Officer and Head of Structuring & Distribution of CCAF, who was responsible for structuring and distribution activities, as well as operational oversight across a wide range of activities, including financial and management reporting, budgeting, liquidity management, stakeholders' management, development and execution of strategic initiatives. Prior to that, he was a Senior Director in Corporate Strategy at CCCS, where he led the structuring, execution and management of the inaugural project and infrastructure loans take-out facility and issuance by BIC I in July 2018, as well as Clifford Capital Group reorganisation and capital raise. Before joining Clifford Capital Group in December 2016, he was with Bank of America Merrill Lynch, covering the energy, infrastructure, power and utilities sectors for the investment banking division, where he led in origination and execution of debt and equity capital markets and M&A transactions for South East Asia. He was previously in investment banking with Standard Chartered Bank, covering the Asia mining and metals sector. He holds a Bachelor of Accountancy and Bachelor of Business Management (Summa Cum Laude) from the Singapore Management University.

Ms Lily Choh Chaw Lee has been appointed the Group Head of Asset Management, and Chief Executive Officer of CCAM effective October 2025. In her role, she will spearhead the strategic growth and innovation of the asset management business. Lily has nearly 30 years of experience in asset management across Asia. Prior to joining Clifford Capital Group, Lily was the Head of South Asia and CEO of Singapore for Schroders, where she oversaw and drove strategic growth initiatives, JVs, partnerships and asset growth across South Asia. Lily had also held leadership and investment roles at Mercer Investment Consulting (Singapore) and GIC. She holds a Bachelor of Science from the National University of Singapore and is a Chartered Financial Analyst (CFA). Lily is also an IBF Fellow in Asset Management.

Mr Richard Wainwright Cox is the Group Chief Risk Officer. He joined Clifford Capital Group in 2022. He has 25 years of experience in risk management, covering financial and non-financial risk across a range of developed and emerging countries in Asia. A UK chartered accountant, Richard qualified with KPMG in London, and worked with KPMG in Taiwan, Indonesia and China. He later joined ING as Risk Manager for China, and subsequently moved to Singapore to work in regional roles as Head of Restructuring, Senior Credit Officer and Chief Risk Officer for Asia. During this time he served as a Director of ING Vysya Bank in India for eight years. Richard brings a wealth of experience across project and structured finance risk management, together with non-financial risk governance including environmental and social risk. Richard holds a Bachelor of Arts in English Literature from Oxford University and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Mr Herman Wijaya is the Group Chief Financial Officer. He joined Clifford Capital Group in 2023. He oversees the Corporate Development, Finance, Treasury, and Technology departments. He has more than two decades of finance leadership experience. He joined Clifford Capital Group from United Overseas Bank where he was Head of Financial Strategy. Prior to that, he was Standard Chartered Bank's Chief Financial Officer for ASEAN and South Asia cluster markets, Head of Balance Sheet Management, and held various finance related leadership roles for the wholesale banking business covering capital and liquidity management, performance management and customer analytics. Herman started his career in General Electric's finance management programme in 2000 before moving through various roles in GE Energy in Singapore and China. He holds a Bachelor of Commerce in Banking and Finance from Bond University.

Mr David James Moffat is the Group General Counsel. He joined Clifford Capital Group in 2022 and has responsibility for leading the Legal, Compliance and Corporate Secretary functions. He has over 20 years of broad experience in advising on legal and regulatory matters across corporate and investment banking and financial markets, including over 16 years in the Asia Pacific region. He also has significant experience in leading transactions and managing major litigation and regulatory enforcement matters. He has previously held roles as APAC Head of Legal and Compliance at NatWest Markets and as APAC General Counsel at COFCO International, a global commodity trading business. Prior to that, he spent nine years at Deutsche Bank in London and Singapore, providing legal support to the bank's markets and financing divisions. He began his career at Clifford Chance, where he advised on a broad range of debt and project finance transactions in Europe and Asia. David is a qualified solicitor in England and Wales and holds an LL.B (Hons) in Law from Leeds University and a post-graduate diploma in legal practice granted by The College of Law, York.

Ms Florence Lee Hui Ching is the Group Chief Human Resources Officer. She joined Clifford Capital Group in 2022 and is overall responsible for leading the strategic people agenda and HR services. She has over 30 years of multi-industry HR experience, predominantly in the Banking industry. She had also spent several years as an Independent HR Consultant, during which she had advised corporate clients (including Clifford Capital Group) on HR Change and Process Transformation projects, facilitated Leadership interventions, and developed strategic HR frameworks. Prior to her transition onto HR Consultancy, she held country and regional HR leadership roles with Australia & New Zealand Banking Group, Standard Chartered Bank and Cisco Systems (USA) Pte Ltd. She holds a Bachelor of Arts from the National University of Singapore and a Diploma in Training Development from the Singapore Institute of Management.

Ms Lily Low is the Group Chief of Staff. She joined Clifford Capital Group in 2023 as Chief Operating Officer for CCMS before transitioning to Group Chief of Staff. She supports the Group CEO to drive Clifford Capital Group's mission and objectives forward, and oversees Business Management, Operations and Office Management. Her responsibilities span across strategic planning, change management, operational efficiency, corporate communication and special projects. Lily has over 20 years of experience in Corporate & Institutional, and Retail banking at Standard Chartered Bank, JPMorgan and Barclays Capital. Prior to joining Clifford Capital, she served as Chief Operating Officer of Tasconnect, a financial technology venture of Standard Chartered Bank. She holds a Bachelor of Arts (Hons) in Business Studies from the University of Sheffield and is a certified Lean Sigma Black Belt holder. She is also a certified information management professional (CIMP).

SHAREHOLDERS

As at the date of this Information Memorandum, Clifford Capital's share capital is held by a group of shareholders, as follows:

	Ordinary shares held	
Name of shareholders	**Number**	**%**
Kovan Investments Pte. Ltd[(1)]	163,314,972	44.0
Aranda Investments Pte. Ltd[(1)]	10,587,931	2.9
Prudential Assurance Company Singapore (Pte) Limited	54,375,246	14.6
Asian Development Bank	29,204,965	7.9
Standard Chartered Bank (Singapore) Limited	36,752,839	9.9
Sumitomo Mitsui Banking Corporation	31,464,830	8.5
DBS Bank Ltd.	22,770,000	6.1
Manulife (Singapore) Pte. Ltd.	22,770,000	6.1

Note:

(1) Kovan Investments Pte. Ltd and Aranda Investments Pte. Ltd are wholly-owned investment holding vehicles of Temasek Holdings (Private) Limited.

FORM OF THE NOTES

Initial Issue of Notes

The Notes will be represented on issue by a Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate may be held at any time only through Euroclear and Clearstream. See "*Clearing and Settlement*". Beneficial interests in the Global Certificate may not be held by a U.S. Person or U.S. resident at any time. By acquisition of a beneficial interest in the Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S. See "*Transfer Restrictions*".

Transfer

Beneficial interests in the Global Certificate will be subject to certain restrictions on transfer set forth therein and in the Trust Deed, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*".

Except in the limited circumstances described below, owners of beneficial interests in the Global Certificate will not be entitled to receive physical delivery of certificated Notes.

Bearer Notes

The Notes are not issuable in bearer form.

Exchange for Definitive Certificates

Exchange

The Global Certificate will be exchangeable, free of charge to the Noteholder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if the Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

The Registrar will not register the transfer of, or exchange of interests in, the Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

"**Definitive Exchange Date**" means a day falling not less than 30 calendar 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 Registrar and any Transfer Agent is located.

Delivery

If the Global Certificate is to be exchanged, the Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient

Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in the Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates as set out under "*Transfer Restrictions*" below.

CLEARING AND SETTLEMENT

The information set out below has been obtained from sources that Clifford Capital believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. This information has been accurately reproduced and as far as Clifford Capital is aware and is able to ascertain from information provided by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of Clifford Capital, the Joint Global Coordinators, the Joint Lead Managers, the Trustee or any Agent will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream

Custodial and depositary links have been established between Euroclear and Clearstream to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading (See "Settlement and Transfer of Notes" below).

Euroclear and Clearstream each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in the Global Certificate directly through Euroclear or Clearstream if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream

The Global Certificate will have an ISIN and a Common Code and will be registered in the name of a nominee of the common depositary on behalf of Euroclear and Clearstream.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream as the holder of a Note represented by the Global Certificate must look solely to Euroclear or Clearstream (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream. The Issuer expects that, upon receipt of any payment in respect of Notes represented by the Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in the Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by the Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in the Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream to purchasers of book entry interests in the Notes held through Euroclear or Clearstream will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream and will be settled using the procedures applicable to conventional eurobonds.

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 Information Memorandum 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 (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 the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes 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. Prospective holders of the Notes 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 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 Clifford Capital and any other persons involved in the issuance of the Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.*

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, 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 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 24 per cent. 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 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from Singapore income tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium derived 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.

In addition, as the issue of the Notes is jointly lead-managed by The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, J.P. Morgan Securities Asia Private Limited, Standard Chartered Bank (Singapore) Limited, DBS Bank Ltd., Société Générale, SMBC Nikko Securities (Hong Kong) Limited and UBS AG Singapore Branch, and more than half of them (i.e. The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, J.P. Morgan Securities Asia Private Limited, Standard Chartered Bank (Singapore) Limited, DBS Bank Ltd. and UBS AG Singapore Branch) are Specified Licensed Entities[6] at such time, and more than half of the Notes issued are distributed by such Specified Licensed Entities, the Notes would be QDS for the purposes of the ITA, to which the following treatment shall apply:

(i) subject to certain prescribed conditions having been fulfilled (including the furnishing by Clifford Capital, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require, and the inclusion by Clifford Capital in all offering documents relating to the Notes of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Notes 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 Notes using the funds and profits from that 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 Notes paid by Clifford Capital 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 Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(ii) subject to certain conditions having been fulfilled (including the furnishing by Clifford Capital, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require), Qualifying Income from the Notes paid by Clifford Capital and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a

[6] Pursuant to the ITA, the reference to the term "Specified Licensed Entity" means:

(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; or

(iii) 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.

concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

(aa) Clifford Capital including in all offering documents relating to the Notes a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

(bb) the furnishing by Clifford Capital, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require,

payments of Qualifying Income derived from the Notes are not subject to withholding of tax by Clifford Capital.

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 the Notes is beneficially held or funded, directly or indirectly, by related parties of Clifford Capital, the Notes would not qualify as QDS; and

(B) even though the Notes are QDS, if, at any time during the tenure of the Notes, 50 per cent. or more of the Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of Clifford Capital, Qualifying Income derived from the Notes held by:

(I) any related party of Clifford Capital; or

(II) any other person where the funds used by such person to acquire the Notes are obtained, directly or indirectly, from any related party of Clifford Capital,

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

Pursuant to the ITA, the reference to the term "**Specified Licensed Entity**" above means:

(a) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;

(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 ITA as follows:

"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;

"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

"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 ITA.

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from any of the 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 QDS under the ITA (as mentioned above) 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 (i.e. the Qualifying Income) derived from any of the Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

2. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will 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.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard ("**FRS**") 109 or 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 109 or SFRS(I) 9 (as the case may be) even though no sale or disposal of the Notes is made. Please see the section below on "*Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes*".

3. Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34AA of the ITA requires taxpayers who comply or who are required to comply with 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. The Inland Revenue Authority of Singapore has also issued a circular 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 Section 34AA of the ITA 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.

SUBSCRIPTION AND SALE

The following section consists of a summary of certain provisions of the Subscription Agreement (defined below) which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

Clifford Capital has entered into a subscription agreement with the Joint Global Coordinators and the Joint Lead Managers dated 23 September 2025 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, Clifford Capital agreed to issue and sell, and each of the Joint Global Coordinators and the Joint Lead Managers has agreed, severally and not jointly, to subscribe, purchase and pay for, or to procure purchasers to purchase and pay for, the Notes, in the amounts set out in the Subscription Agreement at a purchase price equal to 100.0 per cent. of the aggregate principal amount of the Notes. Clifford Capital has agreed in the Subscription Agreement to pay fees to the Joint Global Coordinators and the Joint Lead Managers in consideration of their subscription and payment of the Notes. In addition, Clifford Capital has agreed to reimburse each Joint Global Coordinator and each Joint Lead Manager for certain of its expenses in connection with the issue of the Notes and to indemnify each Joint Global Coordinator and each Joint Lead Manager against certain liabilities incurred by them in connection therewith. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Joint Global Coordinators, the Joint Lead Managers or any of their respective affiliates is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Global Coordinator, such Joint Lead Manager or such affiliate on behalf of Clifford Capital in such jurisdiction.

The Joint Global Coordinators, the Joint Lead Managers and 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 Joint Global Coordinators and the Joint Lead Managers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with Clifford Capital or its subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Joint Global Coordinators, the Joint Lead Managers and their respective affiliates may make or hold (on their own account, on behalf of clients or in their capacity of 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 for the accounts of their customers 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 securities activities may involve securities and instruments of Clifford Capital or its subsidiaries, jointly controlled entities or associated companies, including the Notes, may be entered into at the same time or proximate to offers and sales of the Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Notes. The Notes may be purchased by or be allocated to any Joint Global Coordinator, any Joint Lead Manager or an affiliate for asset management and/or proprietary purposes but not with a view to distribution.

UNITED STATES

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold, within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from 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.

Each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that it will not offer, sell or deliver any Notes (a) as part of its distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Joint Global Coordinator or Joint Lead Manager, of all the Notes, except to non-U.S. Persons in offshore transactions in reliance on Regulation S under the Securities Act. Each of the Joint Global Coordinators and the Joint Lead Managers has further agreed that, at or prior to confirmation of a sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession fee or other remuneration that purchases Notes from it during the 40-day distribution compliance period, at or prior to confirmation of such sale of Notes, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. Persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the completion of the distribution of the Notes, an offer or sale of such Notes 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

Each of the Joint Global Coordinators and the Joint Lead Managers has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum to any retail investor in the EEA.

For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

1. a retail client as defined in point (11) of Article 4(1) of MiFID II; or

2. 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.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

Each of the Joint Global Coordinators and the Joint Lead Managers has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum to any retail investor in the UK.

For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

1. 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

2. a customer within the meaning of the provisions of 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 domestic law by virtue of the EUWA.

UNITED KINGDOM

Each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that:

(a) 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 Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

FRANCE

Each of the Joint Global Coordinators and the Joint Lead Managers and Clifford Capital has represented and agreed that in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Information Memorandum or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to a limited number of investors acting for their own account (*cercle restreint d'investisseurs agissant pour compte propre*) in accordance with Article L.411-2 of the French Code *monétaire et financier* or to qualified investors (*investisseurs qualifiés*) as defined by Article 2(e) of regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended.

ITALY

Each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that the offer of the Notes has not been registered with the Italian Securities and Exchange Commission (*Commissione Nazionale per le Società e la Borsa*, the "**CONSOB**") pursuant to Italian securities legislation and, accordingly, each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that no Notes may be offered, sold or distributed, to the public in the Republic of Italy ("**Italy**") nor may copies of this document or of any other document relating to the Notes be distributed in Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined in Article 2, paragraph (e) of the Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"); or

(ii) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 1 of the Prospectus Regulation, Article 100 of the Italian Legislative Decree No. 58 of 24 February 1998, as amended from time to time, (the "**Financial Services Act**") and Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (the "**Issuers Regulation**").

Moreover, and subject to the foregoing, each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this document or any other document relating to the Notes in Italy under (i) or (ii) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended from time to time (the "**Banking Act**");

(ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy requests information on the issue or the offer of securities in Italy; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by the Bank of Italy, CONSOB or other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer or resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations.

JAPAN

The Notes 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 of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that it will not offer or sell any Notes, 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.

HONG KONG

Each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO, or (ii) 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 or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) 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 Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes 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 thereunder.

HONG KONG – NOTICE TO CMIS AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT – 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 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, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Joint Global Coordinators and the Joint Lead Managers accordingly.

CMIs are informed that the marketing and investor targeting strategy for this 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 set out elsewhere in this Information Memorandum.

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 Notes (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. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Notes.

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 Joint Global Coordinators and Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Notes, 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 Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

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:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to:

- investor.info.hk.bond.deals@jpmorgan.com;
- SYNHK@sc.com;
- DCM.SSEA@smbcnikko-hk.com;

- list.asiapac-glfi-syn-cap@sgcib.com; and
- ol-dcm_sea@ubs.com.

To the extent information being disclosed by CMIs 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, 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 this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The relevant Joint Global Coordinators and the relevant Joint Lead Managers 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 Joint Global Coordinator or relevant Joint Lead Manager with such evidence within the timeline requested. By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Joint Global Coordinators and the Joint Lead Managers that it is not a Sanctions Restricted Person. A "Sanctions Restricted Person" means an individual or entity (a "Person"): (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/sdnlist.pdf) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/fse/fselist.pdf) or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subect-to-eu-financial-sanctions?locale=en); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of the following (i) – (vi) to the extent that it will not result in violation of any sanctions by the CMIs: (i) their inclusion in the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf) (the "SSI List"), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "EU Annexes"), (iii) their inclusion in any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the U.S. Department of Commerce's Bureau of Industry and Security ("BIS") under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled "Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China" (known as the Non-SDN Chinese Military- Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled "Addressing the threat from Securities Investments that Finance Chinese Military Companies"; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of U.S. persons; or (c) that is located, organised or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the Donetsk's People's Republic or Luhansk People's Republic. "Sanctions Authority" means: (a) the

United Nations; (b) the United States; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) the People's Republic of China; (f) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (g) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury.

SINGAPORE

Each of the Joint Global Coordinators and the Joint Lead Managers has acknowledged that this Information Memorandum has not been registered as a prospectus with the MAS. Accordingly, each of the Joint Global Coordinators and the Joint Lead Manager has represented, warranted and agreed, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes 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 Information Memorandum or any document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; or

(b) 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) Regulations 2018 of Singapore.

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.

REPUBLIC OF KOREA

The Notes have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea. Each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, any Notes in Korea or to, or for the account or benefit of, any Korean resident (as such term is defined in the Foreign Exchange Transactions Act of Korea and the regulations thereunder) except as otherwise permitted under applicable Korean laws and regulations.

MALAYSIA

Each of the Issuer, the Joint Global Coordinators and the Joint Lead Managers acknowledges that a prospectus has not been issued and registered as a prospectus with the Securities Commission of Malaysia under the Capital Markets and Services Act 2007 of Malaysia and authorisation of the Securities Commission of Malaysia has not been sought and accordingly, the Notes may not be offered, issued, sold, transferred, or otherwise disposed of, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, except by way of secondary trades of the Notes, provided that in the case of secondary trades involving retail investors (a) a prospectus has been issued at the primary issuance; or (b) the Notes comply with the requirements of the guidelines issued by the Securities Commission of Malaysia in relation to the Seasoned Bond Framework. In addition, residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Central Bank of Malaysia to purchase the Notes. The onus is on the residents concerned to obtain such regulatory approvals and none of the Issuer, the Joint Global Coordinators and the Joint Lead

Managers are responsible for any invitation, offer, sale or purchase of the Notes as aforesaid without the necessary approvals being in place.

PRC

Each of the Joint Global Coordinators and the Joint Lead Managers has represented and agreed that it has not offered or sold and will not offer or sell any of the Notes, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws or other relevant regulations of the PRC.

GENERAL

Each of the Joint Global Coordinators and the Joint Lead Managers has agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and any other applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers the Notes or possesses or distributes this Information Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of Clifford Capital, the Trustee or any of the other Joint Global Coordinators or Joint Lead Managers shall have any responsibility therefor.

None of Clifford Capital, the Trustee, the Joint Global Coordinators or the Joint Lead Managers represents that the Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been registered under the Securities Act or any state securities or “Blue Sky” laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Notes

Each purchaser of Notes will be deemed to have represented and agreed as follows:

(1) In connection with the purchase of the Notes: (a) none of the Issuer, the Joint Global Coordinators, the Joint Lead Managers or the Trustee is acting as a fiduciary (other than the Trustee) or financial adviser for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Joint Global Coordinators, the Joint Lead Managers or the Trustee other than in this Information Memorandum for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Joint Global Coordinators, the Joint Lead Managers or the Trustee has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Notes; (d) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgement and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Joint Global Coordinators, the Joint Lead Managers or the Trustee; (e) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (f) the purchaser is a sophisticated investor.

(2) The purchaser is purchasing the Notes for its own account or for an account with respect to which it exercises sole investment discretion, the purchaser and such account is located outside the United States and the purchaser is not a U.S. Person.

(3) The purchaser understands that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons.

(4) The purchaser agrees, for the benefit of the Issuer, the Joint Global Coordinators, the Joint Lead Managers, and any of their affiliates, that they will not resell or transfer any of the Notes prior to the date that is 40 days after the Issue Date (the “**distribution compliance period**”) except:

(a) to the Issuer, the Joint Global Coordinators, the Joint Lead Managers or one of their respective subsidiaries;

(b) under a registration statement that has been declared effective under the Securities Act;

(c) outside the United States to persons who are not U.S. Persons in accordance with Regulation S under the Securities Act; or

(d) pursuant to another exemption from registration under the Securities Act.

(5) The purchasers will, and each subsequent holder is required to, notify any purchaser of the Notes from them of the above resale restrictions.

(6) The purchaser acknowledges that the Issuer, the Joint Global Coordinators, the Joint Lead Managers and the Trustee, and their respective agents, affiliates and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

(7) The purchaser understands that the Notes offered in reliance on Regulation S will be represented by the Global Certificate. Prior to the expiration of the distribution compliance period, before any interest in the Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in such Global Certificate, it will be required to provide the Transfer Agent with a written certification (in the form provided in the Trust Deed) as to compliance with applicable securities laws.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF THE NOTES.

GENERAL INFORMATION

AUTHORISATION

The issue of Notes has been duly authorised by a resolution of the Clifford Capital Board dated 31 July 2025.

LISTING OF NOTES

Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. Approval in-principle for the listing and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of Clifford Capital or its subsidiaries or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Information Memorandum. The Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Notes are listed on the SGX-ST.

DOCUMENTS AVAILABLE

Copies of the following documents will be available for inspection from the registered office of Clifford Capital and from the specified office of the Principal Paying Agent for the time being in Hong Kong:

(a) Clifford Capital's Constitution;

(b) the most recent audited annual financial statements of Clifford Capital and the most recent unaudited interim financial statements (if any) of Clifford Capital, in each case together with any audit or review reports prepared in connection therewith;

(d) the Trust Deed and the Agency Agreement;

(e) a copy of this Information Memorandum; and

(f) any future Information Memorandums, prospectuses, information memoranda and supplements to this Information Memorandum and any other documents incorporated herein or therein by reference.

LEGAL ENTITY IDENTIFIER

The Legal Entity Identifier of Clifford Capital is 2138003NOUFY9X88KE03.

CLEARING SYSTEMS

The Notes have been accepted for clearance through Euroclear and Clearstream under the Common Code 317788819 and the ISIN for the Notes is XS3177888198.

NO MATERIAL ADVERSE CHANGE

Save as disclosed in this Information Memorandum, there has been no material adverse change or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of Clifford Capital or Clifford Capital Group since 31 December 2024.

LITIGATION

Clifford Capital has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Clifford Capital is aware) during the 12 months prior to the date of this Information Memorandum, which may have or have in such period had a significant effect on the financial position or profitability of Clifford Capital or Clifford Capital Group.

AUDITORS

The auditors of Clifford Capital are KPMG LLP. The auditors of Clifford Capital have no material interest in Clifford Capital.

JOINT GLOBAL COORDINATORS' AND JOINT LEAD MANAGERS' TRANSACTING WITH CLIFFORD CAPITAL

Certain of the Joint Global Coordinators the Joint Lead Managers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for Clifford Capital and its affiliates in the ordinary course of business.

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Clifford Capital Holdings Pte. Ltd.
and its subsidiaries

Registration Number: 201937096E

Annual Report
Year ended 31 December 2024

Directors' statement

We are pleased to submit this annual report to the members of Clifford Capital Holdings Pte. Ltd. ("Company") together with the audited financial statements for the financial year ended 31 December 2024.

In our opinion:

(a) the financial statements set out on pages FS1 to FS56 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards issued by International Accounting Standards Board ('IFRS Accounting Standards'); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Sanjiv Misra (Chairman)
Patrick Lee Fook Yau
Teo Swee Lian
Elbert Jacobus Pattijn
Lee Chuan Teck
Park Kyung-Ah
Guy Daniel Harvey Samuel
Jackie Bhagwandas Surtani
Yong Ying-I
Luca Serafino Tonello
Parampally Murlidhar Maiya

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), no director who held office at the end of the financial year (including those held by their spouses and children) had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share options

During the financial year, there were:

(a) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(b) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept appointment.

On behalf of the Board of Directors

Sanjiv Misra
Director

Parampally Murlidhar Maiya
Director

20 February 2025

KPMG LLP
12 Marina View #15-01
Asia Square Tower 2
Singapore 018961

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Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent auditors' report

Members of the Company
Clifford Capital Holdings Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Clifford Capital Holdings Pte. Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS56.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company 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") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the 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 '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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 the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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, SFRS(I)s and IFRS Accounting Standards, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 controls 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 Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
20 February 2025

Statements of financial position
As at 31 December 2024

		Group		Company	
	Note	2024 US$'000	2023 US$'000	2024 US$'000	2023 US$'000
Assets					
Cash and cash equivalents	4	371,748	494,441	42,956	20,919
Derivative financial assets	23	18,355	11,390	-	-
Investments	5	401,154	293,851	-	-
Loans and advances	6	4,255,726	3,640,536	-	-
Other assets	7	63,412	69,902	1,874	130
Deferred tax assets	8	4,485	2,649	-	-
Subsidiaries	9	-	-	500,098	494,903
Equity accounted investees	10	95,035	91,229	81,478	82,080
Property, plant and equipment and intangible assets	11	1,229	2,816	-	-
Total assets		**5,211,144**	**4,606,814**	**626,406**	**598,032**
Liabilities					
Derivative financial liabilities	23	40,814	64,452	-	-
Loans and borrowings	12	4,289,281	3,707,767	-	-
Current tax liabilities		14,789	9,166	309	238
Provisions	13	7,723	6,582	-	-
Other liabilities	14	69,159	63,929	60	88
Total liabilities (excluding net assets attributable to BIC II Preference shareholder)		**4,421,766**	**3,851,896**	**369**	**326**
Equity					
Share capital	15	566,736	566,736	566,736	566,736
Reserves	16	(110,040)	(109,937)	3,443	3,443
Retained earnings		264,387	223,070	55,858	27,527
Equity attributable to owners of the Company		**721,083**	**679,869**	**626,037**	**597,706**
Non-controlling interests	17	68,295	63,943	-	-
Total equity		**789,378**	**743,812**	**626,037**	**597,706**
Net assets attributable to BIC II Preference Shareholder	30	**-**	**11,106**	**-**	**-**
Total liabilities and equity		**5,211,144**	**4,606,814**	**626,406**	**598,032**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of comprehensive income
Year ended 31 December 2024

	Note	Group 2024 US$'000	Group 2023 US$'000
Interest income	18	353,091	296,696
Interest expense	18	(227,002)	(186,350)
Net interest income		**126,089**	**110,346**
Fee and commission income (net)	19	430	(3,714)
Other income	20	19,134	1,172
Non-interest income		**19,564**	**(2,542)**
Net operating income		**145,653**	**107,804**
Staff costs	21	(35,761)	(28,148)
Depreciation and amortisation of property, plant and equipment and intangible assets	11	(2,179)	(1,678)
Other operating expenses		(14,537)	(11,805)
Total operating expenses		**(52,477)**	**(41,631)**
Impairment loss on financial assets	27	(21,712)	(5,629)
Share of profit of equity-accounted investees (net of tax)	10	7,171	7,010
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder before tax	21	**78,635**	**67,554**
Tax expense	22	(12,916)	(9,275)
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder		**65,719**	**58,279**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Changes in fair value of cash flow hedges reclassified to profit or loss		(103)	(74)
Total items that are or may be reclassified to profit or loss		**(103)**	**(74)**
Other comprehensive income for the year, net of tax		**(103)**	**(74)**
Total increase in net assets attributable to Equity holders and BIC II Preference Shareholder		**65,616**	**58,205**
Total increase in net assets attributable to:			
Owners of the Company		60,265	54,448
Non-controlling interests	17	4,515	3,476
BIC II Preference Shareholders	30	836	281
		65,616	**58,205**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity
Year ended 31 December 2024

	Share capital US$'000	Cash flow hedge reserve US$'000	Merger reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2023	**552,736**	**597**	**(110,460)**	**177,172**	**620,045**	**49,769**	**669,814**
Profit for the year	-	-	-	54,522	54,522	3,476	57,998
					-	-	-
Other comprehensive income					-	-	-
Changes in fair value of cash flow hedges	-	(74)	-	-	(74)	-	(74)
Total comprehensive income for the year	**-**	**(74)**	**-**	**54,522**	**54,448**	**3,476**	**57,924**
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Dividends paid	-	-	-	(7,920)	(7,920)	-	(7,920)
Issue of ordinary shares	14,000	-	-	-	14,000	-	14,000
Issue of preference shares by a subsidiary	-	-	-	-	-	11,000	11,000
Share of retained earnings attributable to BIC II preference shareholder	-	-	-	(704)	(704)	(302)	(1,006)
Total transactions with owners	**14,000**	**-**	**-**	**(8,624)**	**5,376**	**10,698**	**16,074**
At 31 December 2023	**566,736**	**523**	**(110,460)**	**223,070**	**679,869**	**63,943**	**743,812**

The accompanying notes form an integral part of these financial statements.

	Share capital US$'000	Cash flow hedge reserve US$'000	Merger reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2024	**566,736**	**523**	**(110,460)**	**223,070**	**679,869**	**63,943**	**743,812**
Profit for the year	-	-	-	60,368	60,368	4,515	64,883
Other comprehensive income							
Changes in fair value of cash flow hedge	-	(103)	-	-	(103)	-	(103)
Total comprehensive income for the year	**-**	**(103)**	**-**	**60,368**	**60,265**	**4,515**	**64,780**
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Dividends paid	-	-	-	(18,400)	(18,400)	(1,592)	(19,992)
Share of retained earnings attributable to BIC II preference shareholder	-	-	-	545	545	233	778
Transfer between owners	-	-	-	(1,196)	(1,196)	1,196	-
Total transactions with owners	**-**	**-**	**-**	**(19,051)**	**(19,051)**	**(163)**	**(19,214)**
At 31 December 2024	**566,736**	**420**	**(110,460)**	**264,387**	**721,083**	**68,295**	**789,378**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows
Year ended 31 December 2024

	Note	Group 2024 US$'000	Group 2023 US$'000
Cash flows from operating activities			
Increase in net assets attributable Equity holders and BIC II Preference Shareholder before income tax		78,635	67,554
Adjustments for:			
Depreciation and amortisation	11	2,179	1,663
(Gain) / loss on sale of financial assets	20	(17,603)	174
Loss on sale of equity accounted investees	10	-	3,741
Fair value adjustments on financial assets designated at fair value through profit or loss		(175)	-
Net allowance for impairment on investments	27	(106)	(3,423)
Net allowance for impairment on loans and advances	27	21,818	8,924
Employee benefits and restoration provisions	13	3,596	2,191
Profit attributable to BIC II preference shareholders	30	58	1,287
Share of profit of equity-accounted investees (net of tax)	10	(7,171)	(7,010)
Interest income	18	(353,091)	(296,696)
Interest expense	18	227,002	186,350
		(44,858)	(35,245)
Changes in:			
• Investments		(107,197)	(20,066)
• loans and advances		(617,224)	(655,248)
• other assets		(32,019)	(53,776)
• other liabilities and provisions		11,810	7,313
Cash used in operations		**(789,488)**	**(757,022)**
Interest income received		346,230	313,638
Interest expense paid		(228,837)	(169,192)
Income tax paid		(9,130)	(1,933)
Net cash used in operating activities		**(681,225)**	**(614,509)**
Cash flows from investing activities			
Capital return /(contribution) in equity-accounted investees	10	602	(33,545)
Dividends from equity-accounted investees	10	5,763	4,323
Investment in associates		(3,000)	-
Proceeds from sale of equity accounted investees	10	-	5,000
Acquisition of property, plant and equipment and intangible assets	11	(606)	(448)
Bank deposits	4	134,987	(91,235)
Net cash from (used in) investing activities		**137,746**	**(115,905)**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows (cont'd)
Year ended 31 December 2024

	Note	Group 2024 US$'000	Group 2023 US$'000
Cash flows from financing activities			
Proceeds from issue of share capital	15	-	14,000
Proceeds from partial disposal of interest in subsidiary		-	10,000
Proceeds from (redemption) / issue of preference shares		(10,000)	11,000
Dividends paid to shareholders	15	(18,400)	(7,920)
Dividends paid to BIC preference shareholders		(1,164)	(181)
Proceeds from issue of unsecured medium term notes	12	-	732,973
Repayment of unsecured medium term notes	12	(300,000)	-
Proceeds from bank borrowings	12	432,097	261,414
Repayment of bank borrowings	12	(305,285)	(514,776)
Proceeds from issue of commercial papers	12	1,063,966	493,233
Repayment of commercial papers	12	(409,000)	(710,794)
Proceeds from notes issued (net of transaction costs capitalised)	12	482,800	384,700
Repayments of notes	12	(378,326)	(90,800)
Payment of lease liabilities	24	(915)	(909)
Net cash from financing activities		**555,773**	**581,940**
Net increase/(decrease) in cash and cash equivalents		**12,294**	**(148,474)**
Cash and cash equivalents at 1 January		184,247	332,721
Cash and cash equivalents at 31 December	4	**196,541**	**184,247**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors ("Board") on 20 February 2025.

1 Domicile and activities

Clifford Capital Holdings Pte. Ltd. ("Company" or "CCHPL") is a company incorporated in Singapore. The address of the Company's registered office is 1 Raffles Quay, #23-01 North Tower, Singapore 048583.

The financial statements of the Group comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

The Company is an investment holding company for the Group. The principal activities of the subsidiaries are set out in Note 9 to the financial statements.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). SFRS(I)s are issued by the Accounting Standards Committee under Accounting and Corporate Regulatory Authority ("ACRA"), which comprise standards and interpretations that are equivalent to IFRS Accounting Standards.

All references to SFRS(I)s and IFRS Accounting Standards are subsequently referred to as SFRS(I) in these financial statements, unless otherwise specified.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in United States dollars ("USD"), which is the Company's functional currency. All financial information presented in United States Dollars have been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the 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.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 27 - measurement of expected credit loss ("ECL") allowance for investments and loans and advances

Measurement of fair values

The Group adopt an independently developed valuation model for the valuation of loans and advances held at FVTPL. Third party information used in the valuation model, such as broker quotes or pricing services, are shared and verified with the Group to support the conclusion that the valuations meet the requirements of SFRS(I) standards. Significant valuation issues are reported to the management

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which change has occurred.

2.5 New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I)s for the first time for the annual period beginning on 1 January 2024:

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current* and Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7 *Supplier Finance Arrangements*

The application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which address changes in material accounting policies.

3.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Investments in equity-accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries, associates and joint ventures in the separate financial statements

Investments in subsidiaries, associates and joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses.

Non-Controlling Interests

Profit or loss are attributed to the equity holders of the Group and to the non-controlling interests. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Net assets attributable to Preference Shareholder of BIC II

Net assets attributable to Preference shareholders of BIC II are classified as financial liability due to the contractual rights made available to the preference shareholder by the Group.

3.2 Financial instruments

Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Financial assets are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The business models of the Group are as follows:

Held to collect

The objective of the business model for bonds, loan and advances held under this portfolio is to collect the amounts due from the bonds, loans and advances and earn contractual interest income.

Held to sell

The objective of the business model for loans held under this portfolio is to sell assets as part of the business model to expand distribution volumes and generate fees from underwriting transactions. These include:

(i) Assets held for sale are intended to be sold at point of origination, on a best-efforts basis with no pre-defined time limit.
(ii) Assets acquired for underwriting transactions are intended to be sold within a predefined period.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.
The Group had no financial assets held outside trading business models that failed the SPPI assessment.

Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivatives designated as cash flow hedges.

Non-derivative financial liabilities

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Fair value hedges of interest rate risk and foreign currency risk

The Group enters into interest rate swaps that are fair value hedges for interest rate risk arising from its fixed rate borrowing (“hedged item”). Pay-floating/receive-fixed interest rate swaps are matched to specific issuances of fixed-rate notes with terms that closely align with the critical terms of the hedged item. The fair value changes on the hedged item resulting from interest rate risk are recognised in profit or loss.

The Group also enters into cross currency swaps that are fair value hedges for foreign currency risk arising from its loans denominated in non-USD currencies ("hedged loan"). Pay non-USD/receive USD cross currency swaps are matched to specific non-USD denominated loans with terms that closely align with the critical terms of the hedged loan. The fair value changes on the hedged loan resulting from foreign currency risk are recognised in profit or loss.

If the hedged item/loan would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly. The fair value changes on the interest rate swaps and cross currency swaps designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item/loan. The fair value changes on the ineffective portion of the interest rate swaps and cross currency swaps are recognised separately in profit or loss.

By using derivative financial instruments to hedge exposures to changes in interest rates, the Group also exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged item. The Group minimises counterparty credit risk in derivative instruments by entering into transactions with high-quality counterparties and/or diversifying the hedging relationship with two or more counterparties.

Before fair value hedge accounting is applied by the Group, the Group determines whether an economic relationship between the hedged item and the hedging instrument exists based on an evaluation of the qualitative characteristics of these items and the hedged risk that is supported by quantitative analysis. The Group considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. The Group evaluates whether the fair value of the hedged item and the hedging instrument respond similarly to similar risks. The Group further supports this qualitative assessment by using regression analysis to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item.
If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest rate method is used is amortised to profit or loss as part of the recalculated interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is amortised to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is discontinued.

3.3 Impairment

Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assesses whether a significant increase in credit risk has occurred for an exposure by comparing the remaining lifetime probability of default ("PD") as at the reporting date, with the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure.

(a) Credit risk grade

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

(b) Incorporation of forward-looking information

The Group incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Group formulates three economic scenarios: a base case, which is the median scenario assigned a probability of occurring, and two less likely scenarios, one upside and one downside, each assigned a probability of occurring. External macro variables considered includes economic data and forecasts published by relevant authorities.

Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of the upside and downside representative scenarios.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses and are measured as follows:

- financial assets that are not credit impaired at the reporting date: the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).
- financial assets that are credit impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows; and.
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive.

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the term structures of the following variables:

- Probability of default ("PD");
- loss given default ("LGD"); and
- exposure at default ("EAD").

In general, the Group derives these parameters from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment.

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate or a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

3.4 Employee benefits

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than defined contribution plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

As the Group seeks to align employees' interests with shareholders and to enable employees to share in the Group's growth, it established a Long-term Incentive Unit ("LTIU") scheme as part of its long-term employee benefits plan. This is a performance-based incentive scheme administered by the Leadership Development and Compensation (LDCC) Committee, a Board committee comprising directors who are duly authorised and appointed by the Board. Participants of this LTIU scheme are awarded units with a future vesting date and target value. On the vesting date, if the actual value of the unit equals or exceeds the target value set, participants are entitled to a cash payment based on the actual value for each unit held.

Long-term employee benefits are measured by amortising to profit or loss the estimated payout at vesting date on a straight-line basis over the vesting period.

The Group implemented a deferred bonus plan in which a portion of the annual performance bonus are deferred and payable in two tranches over a 2-year period from the end of the period in which it is awarded. The payout of deferred bonus is conditional on the employee remaining in service after the end of the award period up to the time of payout (the "stay period"). As the employee is entitled to a portion of the bonus exceeding 12 months after the end of the reporting period, the deferred bonus plan is classified as a long-term employee benefit for purposes of measurement and recognised over the stay period. The Group's obligation in respect of long-term employee benefits is the amount of benefit the employees have earned in return for their service in the current and prior periods. In 2024, LTIU awards were replaced by deferred bonuses.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group 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.

3.5 Revenue

Interest income and expense

Interest income and interest expense as presented in Note 18 arise from all interest-bearing financial assets and financial liabilities regardless of their classification and measurement.

Interest income and interest expense are recognised on a time proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Fee income

Fee income are recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer and are recognised based on contractual rates agreed with customers.

A contract with a customer that results in a recognised financial instrument in the Group's financial statements may be partially in the scope of SFRS(I) 9 and partially in the scope of SFRS(I) 15. If this is the case, then the Group first applies SFRS(I) 9 to separate and measure the part of the contract that is in the scope of SFRS(I) 9 and then applies SFRS(I) 15 to the residual.

Management service fee income

The Group enters into management service contracts. Revenue related to the provision of management, administrative and support services under the management service fee agreements is recognised over time as the services are provided.

3.6 Tax

Tax expense comprises current tax. Current tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

3.7 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

4 Cash and cash equivalents

	Group		**Company**	
	2024	**2023**	**2024**	**2023**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Bank balances	35,114	46,453	926	919
Short-term deposits	336,634	447,988	42,030	20,000
Cash and cash equivalents on the statements of financial position	**371,748**	**494,441**	**42,956**	**20,919**
Short-term deposits with original maturity of more than three months	(175,207)	(310,194)	(18,700)	(5,000)
Cash and cash equivalents in the statements of cash flows	**196,541**	**184,247**	**24,256**	**15,919**

5 Investments

		Group	
	Note	**2024**	**2023**
		US$'000	**US$'000**
Debt investments – at amortised cost		402,719	294,069
Allowance for impairment	27	(1,471)	(1,625)
Fair value changes from fair value hedge	27	(94)	1,407
		401,154	**293,851**

Debt investments have fixed interest rates with stated interest rates of 3.9% to 8.3% (2023: 3.9% to 6.0%) and have maturity dates ranging from 2025 to 2038 (2023: 2024 to 2038).

The Group's exposure to credit and market risks, fair value information and impairment losses for investments measured at amortised cost are disclosed in notes 27 and 28.

6 Loans and advances

		Group	
	Note	2024 US$'000	2023 US$'000
Loans and advances - at amortised cost		4,293,175	3,691,946
Allowance for impairment	27	(41,668)	(50,657)
Fair value changes from fair value hedge		(13,550)	(753)
		4,237,957	3,640,536
Loans and advances – FVTPL		17,769	-
		4,255,726	**3,640,536**

Loans and advances comprise variable interest rate loans priced off benchmarks such as Synthetic USD Libor, SOFR, BBSY, EURIBOR, SORA and SONIA with margins ranging between 1.1% to 4.3% (2023: 0.9% to 4.8%) and fixed interest rates with stated interest rates of 3.3% to 11.5% (2023: 5.3%)

Loans and advances have maturity dates ranging from 2025 to 2042 (2023: 2024 to 2042).

The Group's exposure to credit and market risks, fair value information and impairment losses for loans and advances are disclosed in notes 27 and 28.

7 Other assets

	Group		Company	
	2024 US$'000	2023 US$'000	2024 US$'000	2023 US$'000
Trade receivables due from subsidiary	-	-	1,500	-
Interest receivable - debt investments, loans and advances	43,899	38,971	-	-
Interest receivable - interest rate swaps used for hedging	8,531	5,898	-	-
Interest receivable - cross currency swaps used for hedging	923	817	-	-
Interest receivable - short-term deposits	4,754	5,560	154	18
Fees receivable	566	426	-	-
Deposits	1,332	481	-	-
Other receivables	858	16,186	-	-
GST receivable	943	499	194	112
Prepayments	1,606	1,064	26	-
	63,412	**69,902**	**1,874**	**130**

Deposits and other receivables comprise fixed deposit interest receivables and amounts pending trade settlement. The balances are non-trade, unsecured and interest-free. The amounts are classified as current as the Group expects to receive payment within the next 12 months.

The Group's exposure to credit and market risks and fair value information are disclosed in notes 27 and 28.

8 Deferred tax assets

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group	
	2024 US$'000	2023 US$'000
Property, plant and equipment and intangible assets	(62)	(335)
Provisions	1,129	685
Impairment allowances	3,418	2,299
	4,485	**2,649**

Movement in deferred tax balances

Group	At 1 January 2023 US$'000	Recognised in profit or loss US$'000	At 31 December 2023 US$'000	Recognised in profit or loss (Note 22) US$'000	At 31 December 2024 US$'000
Property, plant and equipment and intangible assets	(88)	(247)	(335)	273	(62)
Provisions	830	(145)	685	444	1,129
Impairment allowances	2,320	(21)	2,299	1,119	3,418
	3,062	**(413)**	**2,649**	**1,836**	**4,485**

9 Subsidiaries

	Company	
	2024 US$'000	2023 US$'000
Equity investments at cost	500,098	494,903

Details of the subsidiaries are as follows:

Name of subsidiary ^	**Principal place of business/Country of incorporation**	**Ownership interest**		**Principal activity**
		2024 %	**2023 %**	
Direct subsidiaries				
Clifford Capital Pte. Ltd.	Singapore	100	100	Debt financing
Bayfront Infrastructure Management Pte. Ltd.	Singapore	70	70	Debt financing
CCH Management Services Pte. Ltd.	Singapore	100	100	Back-end service provider
Clifford Capital Asset Management Pte. Ltd. ("CCAM")	Singapore	100	-	Asset management
BIM Asset Management Pte. Ltd. ("BIM AM")	Singapore	100	-	Asset management
Indirect subsidiaries				
BIM Asset Management Pte. Ltd. ("BIM AM")	Singapore	-	70	Asset management
Bayfront Infrastructure Capital II Pte. Ltd. ("BIC II")	Singapore	70	52.56	Debt financing
Bayfront Infrastructure Capital III Pte. Ltd. ("BIC III")	Singapore	70	70	Debt financing
Bayfront Infrastructure Capital IV Pte. Ltd. ("BIC IV")	Singapore	56.33	56.33	Debt financing
Bayfront Infrastructure Capital V Pte. Ltd. ("BIC V")	Singapore	70	-	Debt financing
Bayfront Infrastructure Capital VI Pte. Ltd. ("BIC VI")	Singapore	70	-	Debt financing

^ Subsidiaries are entities controlled by the Group. The Group controls an entity since it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

With regards to the Group's investment in BIC II, BIC III, BIC IV, BIC V and BIC VI, BIM AM acts as the Collateral Manager for those entities, and the Group holds ordinary and preference shares in all the five entities. The preference shareholder receives residual cash flows from the securitised loan assets and absorbs the first loss arising from any loan default. The Group has assessed its relationship with BIC II, BIC III, BIC IV, BIC V and BIC VI and concluded that all the five entities meet the definition of subsidiary of the Group.

On 3 July 2023, the Group disposed off 10,000,000 preference shares representing 24.92% of the total preference share capital issued by BIC II for US$10,000,000 to an external investor. The Company received a sales consideration equivalent to that of the carrying value, and hence there was no gain or loss recorded on disposal of such interest. On 12 July 2024, the total preference share capital issued by BIC II was redeemed in entirety, and the Company retained ownership of all ordinary shares in the company.

On 18 September 2023, BIC IV has issued 5,000,000 Preference Shares representing 19.53% of the total issued preference share capital to an external investor for a consideration of US$5,000,000.

The interests held by the external investor in BIC IV is classified as Non-Controlling Interests whereas the interests held by the external investor in BIC II is classified as net assets attributable to BIC II Preference Shareholder (Note 30).

On 4 July 2024, CCAM issued 1 ordinary share at US$1 per share to the Company. On 1 October 2024, CCAM further issued 250,000 ordinary shares at S$1 per share to the Company for a cash consideration of S$250,000.

On 29 November 2024, the Group acquired of the entire equity interest in BIMAM from Bayfront Infrastructure Management Pte. Ltd. for a cash consideration of US$5,000,000.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

10 Equity accounted investees

	Group		Company	
	2024	**2023**	**2024**	**2023**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Interest in an associate	95,035	91,229	81,478	82,080

Associate

The Group has one material associate which is equity accounted. The following are details of the associate:

	Keppel-Pierfront Private Credit Fund, LP
Nature of relationship with the Group	Fund which invests in debt instruments issued by companies in the real asset sectors in Asia-Pacific
Principal place of business/Country of incorporation	Singapore
Economic interest	22.54% (2023: 22.54%)

The following summarises the financial information of the Group's associate based on its financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Keppel-Pierfront Private Credit Fund, LP US$'000
2024	
Revenue	19,156
Profit and total comprehensive income	**18,876**
Attributable to investee's all limited partners	18,876
Non-current assets	92,779
Current assets	275,052
Current liabilities	(60)
Net assets	367,771
Attributable to investee's limited partners	367,771
Group's interest in net assets of investee at beginning of the year	**91,229**
Group's share of profit of equity-accounted investees (net of tax):	
- profit (loss) from current year (inclusive of additional distribution)	5,283
- profit and total comprehensive income	5,283
Group's contribution during the year	12,138
Proceeds from capital return	(12,740)
Dividends received during the year	(5,763)
Carrying amount of interest in investee at end of the year	**90,147**

	Keppel-Pierfront Private Credit Fund, LP US$'000
2023	
Revenue	35,101
Profit and total comprehensive income	**34,744**
Attributable to investee's all limited partners	34,744
Non-current assets	73,628
Current assets	308,821
Current liabilities	(53)
Net assets	382,396
Attributable to investee's limited partners	382,396
Group's interest in net assets of investee at beginning of the year	**54,302**
Group's share of profit of equity-accounted investees (net of tax):	
- profit (loss) from current year	7,705
- profit and total comprehensive income	7,705
Group's contribution during the year	49,022
Proceed from capital return	(15,477)
Dividends received during the year	(4,323)
Carrying amount of interest in investee at end of the year	**91,229**

The Group has interest in one immaterial associate. The following table analyses, in aggregate, the carrying amount and share of profit of this associate.

	Group		**Company**	
	2024 US$'000	**2023 US$'000**	**2024 US$'000**	**2023 US$'000**
Interests in associate	3,000	-	3,000	-
Share of:				
profit from continuing operations	1,888	-	-	-
	4,888	-	3,000	-

Joint ventures

Keppel Credit Fund Management Pte. Ltd. or "KCFM" (Formerly known as Pierfront Capital Fund Management Pte. Ltd.) and KP Management (GP) Pte. Ltd. or "KPGP" are unlisted joint ventures in which the Group have joint control via shareholders' agreement and 50% ownership interest and are accounted for using the equity method. KCFM and KPGP are principally engaged in fund management and investment holding activities, respectively, and are based in Singapore.

On 30 September 2023, the Group entered into a sales and purchase agreement to dispose its entire 50% interest in KCFM for a cash consideration of US$5m. Following the completion of the disposal, the Group continues to equity-account for KPPCF.

The following table summarises the financial information of KCFM, based on their financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

As at 31 December 2024 and 31 December 2023, KPGP has an immaterial net asset position. KPGP also has immaterial revenue and profit before tax for the year ended 31 December 2024 and 31 December 2023.

	Keppel Credit Fund Management Pte. Ltd. (Formerly known as Pierfront Capital Fund Management Pte. Ltd.)
30 September 2023	
Revenue	4,028
Profit and total comprehensive income	**(1,390)**
Current assets	5,502
Current liabilities	(2,912)
Net assets	**2,590**
Group's interest in net assets of investees at beginning of the year	9,436
Share of total comprehensive income	(695)
Disposal of interest	(8,741)
Carrying amount of interest in investees at end of the year	-

11 Property, plant and equipment and intangible assets

Group	Right-of-use assets US$'000	Renovations and fixtures US$'000	IT and office equipment US$'000	IT software US$'000	Total US$'000
Cost					
At 1 January 2023	2,496	1,514	168	2,861	7,039
Additions	-	407	8	33	448
Written off	-	(92)	-	(70)	(162)
Transfer	-	(295)	281	14	-
At 31 December 2023	**2,496**	**1,534**	**457**	**2,838**	**7,325**
At 1 January 2024	2,496	1,534	457	2,838	7,325
Additions	-	-	27	579	606
Written off	-	(46)	-	(94)	(140)
Transfer	-	-	-	126	126
At 31 December 2024	**2,496**	**1,488**	**484**	**3,449**	**7,917**

Group	Right-of-use assets US$'000	Renovations and fixtures US$'000	IT and office equipment US$'000	IT software US$'000	Total US$'000
Accumulated depreciation					
At 1 January 2023	62	584	168	2,032	2,846
Depreciation and amortisation	834	211	103	530	1,678
Expired	-	-	-	(15)	(15)
At 31 December 2023	**896**	**795**	**271**	**2,547**	**4,509**
At 1 January 2024	896	795	271	2,547	4,509
Depreciation and amortisation	834	687	220	438	2,179
Written off	-	6	(7)	1	-
At 31 December 2024	**1,730**	**1,488**	**484**	**2,986**	**6,688**
Carrying amounts					
At 1 January 2023	**2,433**	**930**	**-**	**830**	**4,193**
At 31 December 2023	**1,600**	**739**	**186**	**291**	**2,816**
At 31 December 2024	**766**	**-**	**-**	**463**	**1,229**

12 Loans and borrowings

	Group 2024 US$'000	Group 2023 US$'000
Non-current liabilities		
Unsecured medium term notes	2,020,626	2,079,320
Notes issued	1,086,222	982,393
Lease liabilities	3	822
	3,106,851	**3,062,535**
Current liabilities		
Unsecured medium term notes	49,995	294,514
Unsecured bank loans	291,403	164,591
Unsecured commercial papers	840,233	185,267
Lease liabilities	799	860
	1,182,430	**645,232**
	4,289,281	**3,707,767**

The unsecured medium term notes, unsecured bank loans, unsecured commercial papers in Bayfront Infrastructure Management Pte. Ltd. and Clifford Capital Pte. Ltd. of US$3,202,257,000 (2023: US$2,732,692,000) are unconditionally and irrevocably guaranteed ("Guarantee") by the Government of Singapore ("Guarantor"). The total amount recoverable by all creditors from the Guarantor under the Guarantee in respect of all documents relating to such loans and borrowings ("Guaranteed Documents") is limited to:

- an aggregate amount of US$5,300,000,000 (2023: US$5,300,000,000) in respect of principal sums; and
- an aggregate amount of US$600,000,000 (2023: US$600,000,000) in respect of interest (including interest on overdue interest), making an overall aggregate limit of US$5,900,000,000 (2023: US$5,900,000,000) for both principal and interest payable under all Guaranteed Documents entered into between all creditors and the Group.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other loans and borrowings US$'000	Lease liabilities US$'000	Total US$'000
Group			
At 1 January 2023	**3,123,868**	**2,471**	**3,126,339**
Changes from financing cash flows			
Proceeds from issue of unsecured medium term notes	732,973	-	732,973
Proceeds from bank borrowings	261,414	-	261,414
Repayment of bank borrowings	(514,776)	-	(514,776)
Proceeds from issue of commercial papers	493,233	-	493,233
Repayment of commercial papers	(710,794)	-	(710,794)
Proceeds from notes issued	384,700	-	384,700
Repayment of notes	(90,800)	-	(90,800)
Payments of lease liabilities	-	(909)	(909)
Total changes from financing cash flows	**555,950**	**(909)**	**555,041**
The effect of changes in foreign exchange rates	**-**	**15**	**15**
Change in fair value	**28,147**	**-**	**28,147**
Liability-related other changes			
Capitalised borrowing cost	(2,957)	-	(2,957)
Interest expense	1,152	105	1,257
Senior loan effective interest rate amortisation	(75)	-	(75)
Total liability-related other changes	**(1,880)**	**105**	**(1,775)**
At 31 December 2023	**3,706,085**	**1,682**	**3,707,767**
At 1 January 2024	**3,706,085**	**1,682**	**3,707,767**
Changes from financing cash flows			
Repayment of unsecured medium term notes	(300,000)	-	(300,000)
Proceeds from bank borrowings	432,097	-	432,097
Repayment of bank borrowings	(305,285)	-	(305,285)
Proceeds from issue of commercial papers	1,063,966	-	1,063,966
Repayment of commercial papers	(409,000)	-	(409,000)
Proceeds from notes issued	482,800	-	482,800
Repayment of notes	(378,326)	-	(378,326)
Payments of lease liabilities	-	(915)	(915)
Total changes from financing cash flows	**586,252**	**(915)**	**585,337**
The effect of changes in foreign exchange rates		**(29)**	**(29)**
Change in fair value	**(3,687)**	**-**	**(3,687)**
Liability-related other changes			
Capitalised borrowing cost	(3,291)	-	(3,291)
Interest expense	3,155	64	3,219
Senior loan effective interest rate amortisation	(35)	-	(35)
Total liability-related other changes	**(171)**	**64**	**(107)**
At 31 December 2024	**4,288,479**	**802**	**4,289,281**

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

Unsecured medium term notes issued

Currency	Year of maturity	2024 Face value US$'000	2024 Carrying amount US$'000	2023 Face value US$'000	2023 Carrying amount US$'000
USD	2025	50,000	49,995	50,000	49,990
USD	2030	50,000	49,966	50,000	49,964
USD	2026	50,000	49,990	50,000	49,987
USD	2027	50,000	50,179	50,000	50,258
USD	2032	50,000	49,961	50,000	49,952
USD	2027	50,000	49,979	50,000	49,975
USD	2032	50,000	49,958	50,000	49,956
USD	2032	40,000	39,967	40,000	39,967
USD	2028	300,000	289,148	300,000	290,075
USD	2024	-	-	300,000	294,514
USD	2026	500,000	479,090	500,000	464,001
USD	2027	200,000	197,242	200,000	198,962
AUD	2028	217,259	218,984	233,212	242,366
USD	2026	500,000	496,162	500,000	493,867
		2,107,259	**2,070,621**	**2,423,212**	**2,373,834**

	Currency	Year of maturity	2024 Face value US$'000	2024 Carrying amount US$'000	2023 Face value US$'000	2023 Carrying amount US$'000
Unsecured commercial papers						
Unsecured commercial papers	USD	2024 - 2025	833,721	825,836	186,500	185,267
			833,721	**825,836**	**186,500**	**185,267**
Notes issued						
Notes issued	USD	2043 - 2044	1,093,809	1,086,222	989,334	982,393
			1,093,809	**1,086,222**	**989,334**	**982,393**
Unsecured bank loans						
Unsecured bank loans	AUD	2024	17,203	17,203	4,155	4,155
Unsecured bank loans	USD	2024	274,200	274,200	160,436	160,436
			291,403	**291,403**	**164,591**	**164,591**
Lease liabilities						
Lease liabilities	SGD	2025 - 2027	802	802	1,682	1,682
			802	**802**	**1,682**	**1,682**

The Group's exposure to liquidity and market risks and fair value information related to loans and borrowings are disclosed in notes 27 and 28.

13 Provisions

Group	Employee benefits US$'000	Restoration US$'000	Total US$'000
At 1 January 2023	**5,499**	**228**	**5,727**
Provision made during the year	2,527	-	2,527
Provision used during the year	(336)	-	(336)
Unrealised foreign exchange difference	(1,336)	-	(1,336)
At 31 December 2023	**6,354**	**228**	**6,582**
At 1 January 2024	**6,354**	**228**	**6,582**
Provision made during the year	3,596	-	3,596
Lapsed during the year	-	-	-
Provision used during the year	(2,455)	-	(2,455)
At 31 December 2024	**7,495**	**228**	**7,723**

Employee benefits

Long Term Incentive Units

This relates to compensation costs of the Group's Long Term Incentive Units ("LTIU") scheme, a deferred compensation plan granted to management personnel of the Group. The LTIU is awarded each year and is vested over a period of 3 years, at the end of which the LTIU will cash-settle if Clifford Capital Holdings Pte. Ltd. achieves certain pre-determined book value and Return on Equity targets. The scheme is administered by Clifford Capital Holdings Pte. Ltd., with the corresponding costs charged directly to the Group. In 2024, LTIU awards were replaced by deferred bonuses.

Restoration

The provision for reinstatement costs relate primarily to costs of dismantlement, removal or restoration of office upon termination of lease and is estimated based on market quotations.

14 Other liabilities

	Group		Company	
	2024 US$'000	**2023 US$'000**	**2024 US$'000**	**2023 US$'000**
Current liabilities				
Trade payables due to third parties	2,800	743	5	15
Interest payable to subsidiary	-	-	-	24
Accrued interest payable	41,344	43,179	-	-
Accrued expenses	20,089	16,967	55	49
Deferred income	2,920	3,040	-	-
Day 1 reserves	2,006	-	-	-
	69,159	**63,929**	**60**	**88**

Outstanding balances with related parties are unsecured, interest free and repayable on demand

The Group's exposure to liquidity and market risks and fair value information related to other liabilities is disclosed in notes 27 and 28.

15 Share capital

Company	2024 Number of shares	2023 Number of shares
Fully paid ordinary shares, with no par value		
In issue at 1 January	**371,240,783**	**362,895,030**
Issued for cash	-	8,345,753
In issue at 31 December	**371,240,783**	**371,240,783**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets. All issued shares are fully paid, with no par value.

Ordinary shares

Issue of ordinary shares

On 30 August 2023, the Company issued 8,345,753 ordinary shares at US$1.6775 per share to provide working capital to Bayfront Infrastructure Management Pte. Ltd.

During the financial year ended 31 December 2023, the Group and the Company declared and paid income (one-tier) dividends to owners of the Company at 2.2 cents per qualifying ordinary shares amounting to US$7,920,184.

During the financial year ended 31 December 2024, the Group and the Company declared and paid exempt (one-tier) dividends to owners of the Company at 5.0 cents per qualifying ordinary shares amounting to US$18,400,000.

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors. These exempt (one-tier) dividends have not been provided for.

	Group and Company	
	2024 US$'000	**2023 US$'000**
5.3874 cents per qualifying ordinary share (2023: 4.9564 cents)	20,000	18,400

16 Reserves

The reserves of the Group and the Company comprise the following balances:

	Group		Company	
	2024 US$'000	**2023 US$'000**	**2024 US$'000**	**2023 US$'000**
Cash flow hedge reserve	420	523	-	-
Merger reserve	(110,460)	(110,460)	3,443	3,443
	(110,040)	**(109,937)**	**3,443**	**3,443**

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

Merger reserve

Merger reserve of the Group and Company relates to the difference between consideration paid and the paid-in capital of CCPL which was acquired by the Company by way of common control transaction pursuant to a restructuring exercise.

17 Non-controlling interests

The following subsidiary has NCI that is material to the Group.

Name of subsidiary	Principal place of business/Country of incorporation	Ownership interests held by NCI	
		2024 %	2023 %
Direct subsidiary			
Bayfront Infrastructure Management Pte. Ltd.	Singapore	30	30

The following summarised financial information for the above subsidiaries is prepared in accordance with SFRS(I) that are equivalent to IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Bayfront Infrastructure Management Pte. Ltd. and its subsidiaries	
	2024 US$'000	2023 US$'000
Revenue	35,675	31,571
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder	**17,424**	**12,026**
Attributable to NCI:		
Profit for the year	4,515	3,476
OCI	-	-
Total comprehensive income	**4,515**	**3,476**
Non-current assets	1,362,372	1,839,134
Current assets	132,757	201,030
Total liabilities (excluding net assets attributable to BIC II Preference shareholder)	(1,272,207)	(1,827,420)
Net assets attributable to equity holders and BIC II Preference shareholder	**222,922**	**212,744**
Net assets attributable to NCI	**68,295**	**63,943**

	Bayfront Infrastructure Management Pte. Ltd. and its subsidiaries 2024 US$'000	2023 US$'000
Cash flows used in operating activities	(604,139)	(567,387)
Cash flows (used in) /from investing activities	(21,882)	109,095
Cash flows from financing activities	547,788	518,249
Net (decrease)/increase in cash and cash equivalents	**(78,233)**	**59,957**

Bayfront Infrastructure Management Preference shares

The NCI holds 100% of the redeemable preference shares of Bayfront Infrastructure Management Pte. Ltd.

The redeemable preference shares of Bayfront Infrastructure Management Pte. Ltd. have the following rights, benefits and privileges and are subject to the following restrictions:

Dividend

Preference shareholders shall be entitled, in preference of the ordinary shareholders, to be paid out of the distributable profits a preference dividend, (i) as may be determined by the Board of Directors from time to time, or (ii) as may be declared by an Ordinary Resolution of the company from time to time, for an amount not exceeding the Account Balance. The preference dividend shall be declared based on the Company's profits available.

Capital

On liquidation, dissolution or winding up (whether voluntary or involuntary) of Bayfront Infrastructure Management Pte. Ltd., the assets available for distribution among the members of Bayfront Infrastructure Management Pte. Ltd. shall be applied as follows:

- firstly, the preference shareholders shall be entitled to receive, prior and in preference to any distribution of assets and funds of the Company to the ordinary shareholders, the amount issued and fully paid up of preference share equal to the original issue price of such preference share held by each holder, plus preference dividend declared but remains unpaid;

secondly, if assets and funds of the Company to be distributed among the preference shareholders is insufficient to permit the payment to such holders the full preferential amounts payable thereon, the entire assets and funds of the Company shall be distributed rateably amongst the preference shareholders in proportion to the number of shares held; and

- thirdly, upon payment in full of the preferential amounts to the preference shareholders, all remaining assets and funds of the Company shall be made available for distribution and upon completion of distribution, shall be further distributed rateably among the holders of preference shares and ordinary shares in proportion to the number of shares owned by each holder.

Redemption

Subject to satisfaction of the Redemption Conditions and applicable law, the Preference Shares may be redeemed, at the option of the Company and on such basis and for such reason as the company may determine to be appropriate, in whole or in part, on any Optional Redemption Date at the Redemption Price upon delivery of a Redemption Notice (delivered in accordance with the constitution of the Company).

Voting

The preference share shall confer on the holder thereof the right to receive notice of, or to attend and vote at, all meetings of Bayfront Infrastructure Management Pte. Ltd. and same voting rights as the holders of ordinary shares of Bayfront Infrastructure Management Pte. Ltd.

Where the preference shareholders are entitled to vote on any resolution, then, at the relevant general meetings, shall have one (1) vote for every preference share.

Bayfront Infrastructure Capital II, Bayfront Infrastructure Capital III, Bayfront Infrastructure Capital IV and Bayfront Infrastructure Capital V Preference shares

The redeemable preference shares of Bayfront Infrastructure Capital II, Bayfront Infrastructure Capital III Bayfront Infrastructure Capital IV Pte. Ltd. and Bayfront Infrastructure Capital V Pte. Ltd. have the following rights, benefits and privileges and are subject to the following restrictions:

Dividend

Preference shareholders shall be entitled, in preference of the ordinary shareholders, to be paid out of the distributable profits a preference dividend, (i) as may be determined by the Board of Directors from time to time, or (ii) as may be declared by an Ordinary Resolution of the company from time to time, for an amount not exceeding the Account Balance. The preference dividend shall be declared based on the Company's profits available.

Liquidation Preference

On liquidation, dissolution or winding up (whether voluntary or involuntary) of the Company, the assets of the Company available for distribution among the members shall be applied as follows:

- firstly, the preference shareholders shall be entitled to receive, prior and in preference to any distribution of assets and funds of the Company to the ordinary shareholders, the amount issued and fully paid up of preference share equal to the original issue price of such preference share held by each holder, plus preference dividend declared but remains unpaid;

- secondly, if assets and funds of the Company to be distributed among the preference shareholders is insufficient to permit the payment to such holders the full preferential amounts payable thereon, the entire assets and funds of the Company shall be distributed rateably amongst the preference shareholders in proportion to the number of shares held; and

- thirdly, upon payment in full of the preferential amounts to the preference shareholders, all remaining assets and funds of the Company shall be made available for distribution and upon completion of distribution, shall be further distributed rateably among the holders of preference shares and ordinary shares in proportion to the number of shares owned by each holder.

Redemption

Subject to satisfaction of the Redemption Conditions and applicable law, the Preference Shares may be redeemed, at the option of the Company and on such basis and for such reason as the company may determine to be appropriate, in whole or in part.

Voting

The preference shares shall confer on the holder thereof the right to receive notice of, or to attend and vote at, all meetings of the Company and same voting rights as the holders of ordinary shares held, except for matters reserved, that specifically require a special majority of the preference shareholders.

(i) Where the preference shareholders are entitled to vote on any resolution, then, at the relevant general meetings, shall have one (1) vote for every preference share held. To the fullest extent permitted by law, the holders of preference shares and the holders of ordinary shares shall vote together as a single class at the same meeting. A separate class of meeting is not required unless required by applicable law.

(ii) without prior approval of at least 75 per cent of the preference shareholders, the Company shall not take the following actions:

- dissolution, liquidation or winding up of the Company
- any amendment of the constitution of the Company which would prejudice the rights of the preference shareholders
- any variation to the rights of the preference shares

(iii) at least 66 2/3 per cent of preference shareholders may:

- exercise option of preference shareholders to direct the Company to redeem in whole, but not in part, all classes of Notes following the expiry of the Non-Call Period pursuant to the Conditions or give consent to the Collateral Manager to direct such redemption pursuant to the Conditions
- direct the Company to redeem in whole, but not in part, all classes of Notes following the occurrence of a Note Tax Event pursuant to the Conditions
- direct the Company on the application of the Account Balance in accordance with the Transaction Documents and the constitution of the Company
- remove the Collateral Manager for cause, and upon any removal or resignation of the Collateral Manager, propose or object to a successor, in each case in accordance with the terms of the Collateral Management and Administration Agreement
- terminate the appointment of the Transaction Administrator without cause or for cause, and approve a successor, in each case in accordance with the terms of the Collateral Management and Administration Agreement
- provide written consent to any proposed assignment or transfer of its material rights or delegation of its material responsibilities under the terms of the Collateral Management and Administration Agreement by Collateral Manager
- generally exercise any right to take any action which requires the approval or consent of or direction from at least 66 2/3 per cent of preference shareholders pursuant to the Conditions or the Transaction Documents

18 Net interest income

	Group 2024 US$'000	Group 2023 US$'000
Interest income under the effective interest method on:		
- Cash and cash equivalents	22,199	22,050
- Debt investments – at amortised cost	15,660	16,334
- Loans and advances - amortised cost	312,875	256,572
Total interest income arising from financial assets measured at amortised cost	**350,734**	**294,956**
Interest income from cross currency swaps used for hedging	1,557	1,740
Interest income received from financial assets at FVTPL:		
- Debt investments – mandatorily at FVTPL	30	–
- Loans - at mandatorily at FVTPL	770	–
Interest income	**353,091**	**296,696**
Loans and borrowings – at amortised cost	(180,925)	(142,419)
Interest expense from interest rate swaps and treasury locks used for hedging	(46,013)	(43,826)
Interest expense from lease liabilities	(64)	(105)
Interest expense	**(227,002)**	**(186,350)**
Net interest income	**126,089**	**110,346**

19 Fee and commission income (net)

	Note	Group 2024 US$'000	Group 2023 US$'000
Structuring fees		1,695	225
Other fee income		3,113	273
Guarantee fee	12	(4,378)	(4,212)
		430	**(3,714)**

Structuring fee

Nature of goods or services	Structuring fee income generally relates to loan structuring and origination services performed by the Group in its ordinary course of business operations.
When revenue is recognised	The fee income is recognised when all performance obligations in relation to the fee income has been satisfied.
Significant payment terms	The fee is receivable when contractually due for payment.

Other fee income

Nature of goods or services	The fee income generally relates to other services performed by the Group in its ordinary course of business operations.
When revenue is recognised	The fee income is recognised when all performance obligations in relation to the fee income has been satisfied.
Significant payment terms	The fee is receivable when contractually due for payment.

20 Other income

	Note	Group 2024 US$'000	Group 2023 US$'000
Service fee income from a joint venture		-	1,878
Service fee income from a third party		800	1,200
Government grant		31	489
Gain/(loss) on disposal of financial assets		17,603	(174)
Loss on disposal of joint venture	10	-	(3,741)
Fair value adjustments on financial assets designated at fair value through profit or loss		174	-
Others		526	1,520
		19,134	**1,172**

Government grant income relates to Financial Sector Development Fund ("FSDF") Grant and Digital Acceleration Grant ("DAG"). DAG supports financial institutions to adopt digital solutions to improve productivity, strengthen operational resilience, manage risks better, and serve customers.

21 Profit before tax

The following items have been included in arriving at profit before tax:

	Group 2024 US$'000	Group 2023 US$'000
Salaries, bonuses and other staff costs	34,611	27,137
Contributions to defined contribution plans	1,150	1,011
Depreciation and amortisation	2,179	1,678
Net foreign exchange loss	(231)	139

22 Income tax (credit)/expense

	Group	
	2024	**2023**
	US$'000	**US$'000**
Tax recognised in profit or loss		
Current tax expense		
Current year	14,842	9,174
Changes in estimates related to prior years	(90)	(312)
	14,752	**8,862**
Deferred tax expenses		
Origination and reversal of temporary differences	(1,836)	413
	(1,836)	**413**
	12,916	**9,275**

Reconciliation of effective tax rate

	Group	
	2024	**2023**
	US$'000	**US$'000**
Profit before tax	78,635	67,554
Tax using Singapore tax rate of 17% (2023: 17%)	13,368	11,484
Effects of results of equity-accounted investees presented net of tax	(898)	(1,317)
Non-deductible expenses	4,338	3,228
Tax exempt income	(3,733)	(3,750)
Tax incentives	(69)	(52)
Changes in estimates related to prior years	(90)	(312)
Recognition of tax effect of previously unrecognised tax losses	-	(6)
	12,916	**9,275**

Tax expense excludes the Group's share of the tax expense of equity-accounted investees. No tax expense has been included in 'share of profit of equity-accounted investees, net of tax' in the consolidated statement of profit or loss.

The following subsidiaries have been awarded the MAS Enahnced-Tier Fund Tax Incentive under Section 13U of the Income Tax Act:

Name of subsidiary	**Effective date**
Bayfront Infrastructure Management Pte. Ltd.	3 April 2020
Bayfront Infrastructure Capital II Pte. Ltd.	6 May 2021
Bayfront Infrastructure Capital III Pte. Ltd.	11 August 2022
Bayfront Infrastructure Capital IV Pte. Ltd.	15 August 2023
Bayfront Infrastructure Capital V Pte. Ltd.	31 May 2024

Under the terms of the incentive granted, qualifying income derived from qualifying activities is exempted under corporate income tax in Singapore, subject to the Company satisfying all terms and conditions.

23 Derivative financial instruments

The table below sets out the notional principal amounts and the positive and negative fair value of the Group's outstanding derivative financial instruments at the reporting date.

Group	Notional principal amount US$'000	Positive fair value US$'000	Negative fair value US$'000
31 December 2024			
Interest rate swaps used for fair value hedge	1,933,455	4,650	37,902
Cross currency swaps used for fair value hedge	341,999	10,515	2,556
Forward rate currency swaps	54,408	720	-
Foreign exchange forwards	59,004	2,470	356
Equity warrants	562	-	-
	2,389,428	**18,355**	**40,814**
31 December 2023			
Interest rate swaps used for fair value hedge	1,933,977	4,273	57,679
Cross currency swaps used for fair value hedge	272,895	7,100	5,704
Forward rate currency swaps	31,224	-	853
Foreign exchange forwards	12,558	17	216
Equity warrants	562	-	-
	2,251,216	**11,390**	**64,452**

During the financial year ended 31 December 2023, the Group was allotted 4,675 equity warrants as part of a financial restructuring of a borrower. The equity warrants allow the Group to acquire equity shares at a stipulated exercise price after a certain time period.

24 Leases

Leases as lessee

The Group leases its office premises. The lease typically run for a period of 5 years, with an option to renew the lease after that date. Lease payments are renegotiated every 3 years to reflect market rentals.

The Group leases IT equipment with a contract term of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased office premises that do not meet the definition of investment property are presented as property, plant and equipment.

Group	Office premises and equipment US$'000
At 1 January 2023	2,435
Additions to right-of-use assets	-
Depreciation charge for the year	(835)
At 31 December 2023	**1,600**
At 1 January 2024	1,600
Additions to right-of-use assets	-
Depreciation charge for the year	(834)
At 31 December 2024	**766**

Amounts recognised in profit or loss

	Office premises and equipment	
Group	2024 US$'000	2023 US$'000
Interest on lease liabilities	64	105
Expenses relating to leases of low-value assets	144	116

Amounts recognised in statement of cash flows

	Office premises and equipment	
Group	2024 US$'000	2023 US$'000
Total cash outflow for leases	915	909

25 Significant related parties transactions

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Senior management charged with such authority and responsibility, as well as directors of the Group, are considered key management personnel of the Group.The key management personnel compensation are as follows:

	Group	
	2024 US$'000	2023 US$'000
Directors' fees	1,102	1,016
Salaries, bonuses and other staff costs	15,433	12,265
Contributions to defined contribution plans	184	146
Other long-term benefits	3,592	2,192
	20,311	**15,619**

Other related party transactions

Other than as disclosed elsewhere in the financial statements, the carrying amount of the loans and advances at the reporting date, fee and interest income from related corporations are as follows:

	Balance outstanding as at 31 December	
	2024	**2023**
	US\$'000	**US\$'000**
Group		
Debt investments	94,917	96,941
Loans and advances	405,203	265,315
Interest receivable	1,956	2,225
Deferred income	109	365
Service fee income receivable from a joint venture	-	-
Company		
Service fee refund receivable from a subsidiary	1,500	324

	Transaction value for the year ended	
	2024	**2023**
Group	**US\$'000**	**US\$'000**
Interest income	23,812	32,166
Other fee income	1,549	1,921
Service fee income from a joint venture	-	1,878

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within 1 month of the reporting date. None of the balances are secured.

26 Commitments

Loan commitments

Undrawn loan commitments comprise contractual obligations to provide credit facilities to customers for a fixed period. At 31 December 2024, the Group had undrawn loan commitments amounting to US\$1,008,999,423 (2023: US\$664,187,115).

Capital commitments

Pursuant to the Second Amended and Restated Limited Partnership Agreement between the Limited Partners and General Partner of Keppel-Pierfront Private Credit Fund, LP dated 15 November 2021, the Company has outstanding capital commitments with respect to Keppel-Pierfront Private Credit Fund, LP interests of US\$12,471,670 (2023: US\$27,461,041).

Contingent commitments

Contingent loan commitments comprise of obligations to provide credit facilities to customers triggered by a specified event. At 31 December 2024, the Group had contingent loan commitments amounting to US\$125,000,000 (2023: US\$ Nil).

27 Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The Risk Committee reports regularly to the Board on its activities and is subject to the overall supervision of the Board.

The Risk Committee has the delegated authority from the Board to approve any portfolio acquisition or any single transaction related to the Group's lending, investments, divestments, participation in tenders and bids and to approve any relevant foreign exchange or interest rate transactions for hedging or mitigating market risk at a portfolio level up to limits approved by the Board. The Risk Committee also reviews overall portfolio performance periodically.

In addition, a management level Credit Committee was established to approve lending commitments and divestments up to pre-set limits as delegated by the Risk Committee, such limits being set to enable the Credit Committee to approve loan transactions in the ordinary course of business.

The Group's Risk Framework, Policies and Processes ("RFPP"), which have been approved by the Risk Committee, were established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The RFPP is reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Chairman of the Board and Risk Committee will review and approve all related party transactions according to the Group's Related Party Transactions Approval Framework.

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from debt investments and loans and advances.

The Group has robust processes in place to assess the credit risk of new loans and investments and actively monitors exposure to credit risk on an on-going basis. Cash is placed with regulated financial institutions with a high credit rating.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Impairment losses on financial assets recognised in profit or loss were as follows:

Group	2024 US$'000	2023 US$'000
Impairment loss on debt investments at amortised cost	(106)	(3,423)
Impairment loss on loans and advances at amortised cost	21,818	9,052
	21,712	**5,629**

Derivatives

Derivatives are entered into with regulated bank and financial institution counterparties with a high credit rating. In addition, concentration risk to any one counterparty as well as the total exposure limits of the Company are considered before entering any derivative instrument.

Investments and loans and advances

The Group's primary business is commercial lending and is thus exposed to credit risks from loans to and debt securities issued by corporate customers. The Group applies the Risk Committee's approved RFPP in the evaluation of all new investments, loans and advances. The internal credit rating methodologies are an integral part of the Group's RFPP and are used to determine the likelihood and size of losses arising from a loan default. These methodologies take into account many factors such as qualitative factors and financial metrics of the counterparty, country risk, legal enforceability, structural protection and security package in its credit risk assessment. These assessments are used in the decision-making process, credit approval, monitoring, reporting and internal assessment of the adequacy of impairment allowance. Credit risk is managed to achieve optimal risk-reward performance whilst maintaining exposures within acceptable risk appetite parameters.

The amount of allowance for impairment is inherently uncertain, being sensitive to changes in economic and credit conditions of the counterparties, their place of operations and the sectors in which they operate. It is possible that actual events may differ from the assumptions used in the rating and assessment methodologies and computation.

Exposure to credit risk

The Group reviews the credit concentration of debt investments and loans and advances based on industry sectors. The exposure to credit risk for debt investments and loans and advances at reporting date by industry sectors was at follows:

	Group			
	2024 Carrying amount		2023 Carrying amount	
	US$'000	%	US$'000	%
Energy & Utilities	1,674,231	36	1,548,425	39
Industrials, Transportation and Maritime	971,512	21	988,691	25
Natural Resources	1,451,381	31	1,162,628	30
Social & Digital Infrastructure	559,756	12	234,642	6
	4,656,880	**100**	**3,934,386**	**100**

There is no concentration of credit risk at the Group and Company level.

Loss allowance

Debt investments and loans and advances at amortised cost are categorised as follows:

- Pass/Special mention: Pass refers to assets with timely repayment and do not exhibit any potential weakness in repayment capability, business, cash flow or financial position of the borrower. Special Mention includes assets with potential weakness, if not corrected on a timely basis, may adversely affect repayment by the borrower at a future date and warrant close attention.
- Substandard/Doubtful: Includes assets with definable weakness that may jeopardise repayment on existing terms. Specifically, it includes "Watchlist – Stressed" and Stage 3 assets.
- Loss: Refers to outstanding credit facility that is not collectable, and little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower generally.

Where appropriate, the Group makes adjustments to the ECL estimate in instances where unexpected major economic or political events could potentially occur.

The Group has included overlays, which are adjustments to the ECL model outputs that have been made outside the detailed ECL calculation and reporting process. The Group has internal governance frameworks and controls in place to assess the appropriateness of all judgemental adjustments.

As of 31 December 2024, the Company has incorporated a concentration risk ECL overlay. The overlay was calculated taking into account single name concentration, sector concentration and geographic concentration.

The following tables provide information about the exposure to credit risk and ECLs for debt investments and loans and advances at amortised cost.

	Stage 1 US$'000	Stage 2 US$'000	Stage 3 US$'000	Total US$'000
Group				
2024				
Debt investments at amortised cost				
Pass/Special mention	402,625	-	-	402,625
Gross carrying amount	**402,625**	**-**	**-**	**402,625**
Impairment loss allowance	(1,471)	-	-	(1,471)
Carrying amount	**401,154**	**-**	**-**	**401,154**
Loans and advances at amortised cost				
Pass/Special mention	3,847,880	396,487	-	4,244,367
Substandard/Doubtful	-	-	35,258	35,258
Gross carrying amount	**3,847,880**	**396,487**	**35,258**	**4,279,625**
Impairment loss allowance	(14,005)	(19,750)	(7,913)	(41,668)
Carrying amount	**3,833,875**	**376,737**	**27,345**	**4,237,957**
Total carrying amount	**4,235,029**	**376,737**	**27,345**	**4,639,111**

	Stage 1 US$'000	Stage 2 US$'000	Stage 3 US$'000	Total US$'000
Group				
2023				
Debt investments at amortised cost				
Pass/Special mention	295,476	-	-	295,476
Gross carrying amount	**295,476**	**-**	**-**	**295,476**
Impairment loss allowance	(1,625)	-	-	(1,625)
Carrying amount	**293,851**	**-**	**-**	**293,851**
Loans and advances at amortised cost				
Pass/Special mention	3,397,180	211,953	-	3,609,133
Substandard/Doubtful	-	-	82,060	82,060
Gross carrying amount	**3,397,180**	**211,953**	**82,060**	**3,691,193**
Impairment loss allowance	(11,596)	(7,979)	(31,082)	(50,657)
Carrying amount	**3,385,584**	**203,974**	**50,978**	**3,640,536**
Total carrying amount	**3,679,434**	**203,974**	**50,978**	**3,934,387**

Movements in allowance for impairment in respect of debt investments and loans and advances at amortised costs.

The following significant change contributed to the changes in the ECL balances during 2024:

A downgrade of loans and advances from Stage 1 to Stage 2 resulted in an increase in lifetime ECL not credit-impaired.

The following significant change contributed to the changes in the ECL balances during 2023:

- A downgrade of loans and advances from Stage 1 to Stage 2 resulted in an increase in lifetime ECL not credit-impaired.
- A prepayment of a Stage 2 investment resulted in a derecognition of lifetime ECL not credit-impaired.

The following table presents an analysis of the credit quality of debt investments and loans and advances at amortised cost. It indicates whether assets measured at amortised cost were subject to a 12-month ECL or lifetime ECL allowance and, in latter case, whether they were credit impaired.

	12-month ECL US$'000	Lifetime ECL not credit-impaired US$'000	Lifetime ECL credit impaired US$'000	Total US$'000
Group				
2024				
Debt investments at amortised cost				
Balance as at 1 January	1,625	-	-	1,625
Net measurement of loss allowance	(721)	-	-	(721)
New financial assets originated or purchased	567	-	-	567
Financial assets that have been derecognised				
At 31 December	**1,471**	**-**	**-**	**1,471**

	12-month ECL US$'000	Lifetime ECL not credit-impaired US$'000	Lifetime ECL credit impaired US$'000	Total US$'000
Group				
2024				
Loans and advances at amortised cost				
Balance as at 1 January	11,596	7,979	31,082	50,657
Net measurement of loss allowance	(2,103)	11,771	7,588	17,256
New financial assets originated or purchased	4,558	-	-	4,558
Financial assets that have been derecognised	(46)	-	(30,757)	(30,803)
At 31 December	**14,005**	**19,750**	**7,913**	**41,668**
2023				
Debt investments at amortised cost				
Balance as at 1 January	1,307	3,741	-	5,048
Net measurement of loss allowance	(678)	-	-	(678)
New financial assets originated or purchased	996	-	-	996
Financial assets that have been derecognised	-	(3,741)		(3,741)
At 31 December	**1,625**	**-**	**-**	**1,625**
Loans and advances at amortised cost				
Balance as at 1 January	12,036	1,582	28,115	41,733
Net measurement of loss allowance	(4,390)	7,089	2,967	5,666
New financial assets originated or purchased	5,068	-	-	5,068
Financial assets that have been derecognised	(1,118)	(692)	-	(1,810)
At 31 December	**11,596**	**7,979**	**31,082**	**50,657**

Derivatives

Derivatives are entered into with regulated bank and financial institution counterparties with a high credit rating. In addition, concentration risk to any one counterparty as well as the total exposure limits of the Group are considered before entering any derivative instrument.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities and contractual commitments to its customers and counterparties that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities and commitments when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's approach to managing liquidity risk is to maintain a diversified and flexible funding base and is currently funded from equity, bonds, commercial papers, infrastructure asset-backed securities and bank loans. Other than maintaining an adequate level of cash and cash equivalents to meet expected operational expenses and the servicing of financial obligations, the Group also maintains committed and uncommitted lines of credit with banks and financial institutions which serves as a counterbalancing capacity to meet any potential cash shortfalls.

The Group monitors and manages its funding requirement by projecting cashflows of both contractual and forecasted assets and liabilities. Any net funding requirement is identified and addressed by ensuring adequate liquidity sources are available to meet the forecasted cash flow shortfall.

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting arrangements:

Group	**Carrying amount US$'000**	**Contractual cash flows US$'000**	**12 months or less US$'000**	**More than 12 months US$'000**
2024				
Non-derivative financial liabilities				
Unsecured medium term notes	2,070,621	(2,315,393)	(127,678)	(2,187,715)
Unsecured commercial papers	840,234	(848,721)	(848,721)	-
Notes issued	1,086,222	(1,453,331)	(251,287)	(1,202,044)
Unsecured bank loans	291,403	(292,126)	(292,126)	-
Lease liabilities	802	(824)	(820)	(4)
Other liabilities	61,902	(61,902)	(60,892)	(1,010)
	4,351,184	(4,972,297)	(1,581,524)	(3,390,773)
Derivative financial instruments				
Interest rate swaps used for fair value hedge (net-settled)	37,902	(41,641)	(28,234)	(13,407)
Cross currency swaps used for fair value (net-settled)	2,556	(2,214)	(674)	(1,540)
Foreign exchange forwards	356	340	421	(81)
	40,814	(43,515)	(28,487)	(15,028)
2023				
Non-derivative financial liabilities				
Unsecured medium term notes	2,373,834	(2,704,016)	(373,274)	(2,330,742)
Unsecured commercial papers	185,267	(186,500)	(186,500)	-
Notes issued	982,393	(1,329,922)	(183,253)	(1,143,179)
Unsecured bank loans	164,591	(166,158)	(166,158)	-
Lease liabilities	1,682	(1,717)	(894)	(823)
Other liabilities	60,889	(60,889)	(60,777)	(112)
	3,768,656	(4,449,202)	(970,856)	(3,474,856)
Derivative financial instruments				
Interest rate swaps used for fair value hedge (net-settled)	55,732	(76,042)	(44,912)	(31,130)
Cross currency swaps used for fair value (net-settled)	5,704	3,582	1,119	2,463
Foreign exchange forwards	217	266	(33)	299
Forward rate currency swap	853	31,224	26,972	4,252
	62,506	(40,970)	(16,854)	(24,116)

The maturity analyses show the contractual undiscounted cash flows of the Company financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed for derivative financial instruments relate to those instruments held for risk management purposes and which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled interest rate swaps contracts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group transacts in derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Committee. Generally the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

Foreign currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which income, expenses, receivables and borrowings, including inter-company transactions and balance, that are denominated in a currency other than the respective functional currencies of Group entities.

In assessing its exposure to foreign currency risk, the Group adopts a holistic approach, taking into account timing and size of the underlying exposure, including any natural economic hedge if the cash inflow in a foreign currency matches some of the cash flows used by the underlying operation of the Group. Exposure to currency risk is monitored on an ongoing basis and the Group's policy is to keep the net exposure to an acceptable level. In managing its exposure to foreign currency risk, the Group may use derivative instruments such as foreign currency forwards and currency swaps.

The Group does not have significant exposure to foreign currency risk as at the reporting date.

Interest rate risk

Interest rate risk is the impact to earnings and economic value of the Group due to fluctuations in interest rates. Interest rate exposure may arise from mismatches in the maturity profile or the benchmark rates of the Group's interest bearing assets and liabilities. The Group adopts a portfolio approach in evaluating and managing its interest rate risk under its Strategic Asset Liability Management Framework which has been approved by the Board. This framework sets out the measurement methods and the risk tolerance limits. In managing its interest rate exposure, the Group may use various methods and instruments, including derivatives such as interest rate swaps and treasury locks, to mitigate its interest rate risk. Exposure to interest rate risks are monitored on an ongoing basis and regularly reported to the Risk Committee and the Board to ensure consistency with the Group's risk appetite.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- differences in repricing dates between the swaps and the borrowings.

Hedging relationships that are impacted by interest rate benchmark reform may experience ineffectiveness because of uncertainty about when and how replacement may occur for the relevant hedged item and hedging instrument due to the interest rate benchmark reform transition.

Exposure to interest rate risk

At the reporting date, the interest rate profile of interest-bearing financial instruments, was as follows:

	Notional amount			
	Group		Company	
	2024	2023	2024	2023
	US$'000	US$'000	US$'000	US$'000
Fixed rate instruments				
Financial assets	882,996	819,005	42,030	20,000
Financial liabilities	(2,472,259)	(2,462,367)	-	-
Effect of Interest rate swaps	1,636,422	1,752,127	-	-
	47,159	**108,765**	**42,030**	**20,000**
Variable rate instruments				
Financial assets	4,180,063	3,500,731	926	918
Financial liabilities	(2,368,932)	(1,301,271)	-	-
Effect of Interest rate swaps	(1,636,422)	(1,752,127)	-	-
Cross currency swaps	187,383	212,216	-	-
	362,092	**659,549**	**926**	**918**

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	2024				2024				During the Period - 2024	
	Nominal amount $'000	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Line item in the statement of financial position where the hedging instrument is included**	**Carrying amount of hedged item recognised in the statement of financial position $'000**	**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of hedged item recognised in the statement of financial position $'000**	**Line item in the statement of financial position where the hedged item is included**	**Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness $'000**	**Hedge ineffectiveness recognised in profit or loss $'000**	**Line item in profit or loss that includes hedge ineffectiveness**
Interest rate risk										
Interest rate swaps – Fixed rate bond issuances	950,000	-	34,172	Derivative Financial Liabilities	965,480	34,172	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate bond issuances	173,264	1,794	-	Derivative Financial Assets	175,187	(1,794)	Loans and borrowings	-	-	Other income
Interest rate swaps – Bonds	94,000	884	-	Derivative Financial Assets	92,010	(884)	Investments	-	-	Other income
Interest rate swaps – ECP	70,000	201	-	Derivative Financial Assets	68,628	(201)	Loans and Borrowings	-	-	Other income
Interest rate swaps – Fixed rate loans and advances	21,191	1,494	-	Derivative Financial Asset	18,359	(1,494)	Loans and Advances	-	-	Other income
Interest rate swaps – Medium term notes	500,000	-	3,631	Derivative Financial Liabilities	496,162	3,631	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate commercial papers	75,000	-	99	Derivative Financial Liabilities	74,722	99	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate bonds	50,000	277	-	Derivative Financial Asset	49,467	(277)	Investments	-	-	Other income
Foreign currency risk										
Cross currency swaps - foreign currency denominated loans and advances	54,917	-	1,519	Derivative Financial Liabilities	56,957	1,520	Investments	-	-	Other income
Cross currency swaps - foreign currency denominated loans and advances	20,708	427	-	Derivative Financial Assets	21,258	(427)	Investments	-	-	Other income
FX forwards - foreign currency denominated loans and advances	10,712	243	-	Derivative Financial Assets	-	(243)	Investments	-	-	Other income
FX forwards - foreign currency denominated loans and advances	10,638	-	217	Derivative Financial Liabilities	-	217	Investments	-	-	Other income

Cross currency swaps - foreign currency denominated loans and advances	211,716	10,088	-	Derivative Financial Assets	210,517	(10,088)	Loans and Advances	-	-	Other income
Cross currency swaps - foreign currency denominated loans and advances	9,578	-	2	Derivative Financial Liabilities	7,076	2	Loans and Advances	-	-	Other income
FX forwards - foreign currency denominated loans and advances	89,371	2,109	-	Derivative Financial Assets	89,371	(2,109)	Loans and Advances	-	-	Other income
FX forwards - foreign currency denominated loans and advances	7,748	-	139	Derivative Financial Liabilities	7,611	139	Loans and Advances	-	-	Other income
Cross currency swaps - foreign currency denominated bond issuances	45,080	-	1,035	Derivative Financial Liabilities	43,797	1,035	Loans and borrowings	-	-	Other income

	2023				**2023**				**During the Period - 2023**	
	Nominal amount $'000	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Line item in the statement of financial position where the hedging instrument is included**	**Carrying amount of hedged item recognised in the statement of financial position $'000**	**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of hedged item recognised in the statement of financial position $'000**	**Line item in the statement of financial position where the hedged item is included**	**Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness $'000**	**Hedge ineffectiveness recognised in profit or loss $'000**	**Line item in profit or loss that includes hedge ineffectiveness**
Interest rate risk										
Interest rate swaps – Fixed rate bond issuances	1,150,000	-	51,857	Derivative Financial Liabilities	(1,247,552)	51,580	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate bond issuances	143,052	2,326	-	Derivative Financial Assets	(145,106)	(2,326)	Loans and borrowings	-	-	Other income
Interest rate swaps – Bonds	19,000	79	-	Derivative Financial Assets	16,528	(79)	Bonds	-	-	Other income
Interest rate swaps – ECP	100,000	-	(26)	Derivative Financial Liabilities	(99,161)	26	Loans and Borrowings	-	-	Other income
Interest rate swaps – Fixed rate loans and advances	21,925	1,868	-	Derivative Financial Asset	18,917	(1,868)	Loans and Advances	-	-	Other income
Interest rate swaps – Medium term notes	500,000	-	(5,796)	Derivative Financial Liabilities	(493,867)	5,796	Loans and Borrowings	-	-	Other income
Foreign currency risk										
Cross currency swaps - foreign currency denominated loans and advances	56,805	-	2,835	Derivative Financial Liabilities	58,272	2,835	Investments	-	-	Other income
Cross currency swaps - foreign currency denominated loans and advances	55,259	-	1,721	Derivative Financial Liabilities	57,624	1,721	Loans and advances	-	-	Other income
Cross currency swaps - foreign currency denominated bond issuances	90,160	7,100	-	Derivative Financial Assets	(97,260)	(7,100)	Loans and borrowings	-	-	Other income
Cross currency swaps – loans and advances	30,200	-	(891)	Derivative Financial Liabilities	31,059	891	Loans and Advances	-	-	-

Fair value sensitivity analysis for fixed rate instruments

The Group designates a portion of its fixed rate financial liabilities as a hedged item and the corresponding derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not have a material impact to profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
Group	**100 bp increase US$'000**	**100 bp decrease US$'000**
31 December 2024		
Variable rate instruments	3,621	(3,621)
31 December 2023		
Variable rate instruments	6,595	(6,595)
Company		
31 December 2024		
Variable rate instruments	9	(9)
31 December 2023		
Variable rate instruments	9	(9)

Master netting or similar agreements

The Group enters into derivative transactions under International Swaps and Derivatives Association ("ISDA") master netting agreements. In certain circumstances – e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions with the same counterparty.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Capital management

The Group's capital management objectives are to maintain an optimal capital structure that supports the Group's business growth, safeguard itself against adverse situations and delivers sustainable returns to shareholders. Capital consists of share capital and accumulated profits. The Board maintains an oversight of the capital management process by periodically reviewing the Group's capital allocation, gearing, liquidity and funding sources to enhance shareholder's returns while ensuring that the Group's liquidity requirements and financial covenants in connection with its borrowings are met at all times. Ongoing reporting on capital position is provided to the Board. The Group is not subject to regulatory capital requirements.

CCAM holds a Capital Market license in Singapore under the Securities and Futures Act. As a licensed entity, CCAM is required to comply with the capital adequacy requirements prescribed by Monetary Authority of Singapore. CCAM is in compliance with the capital adequacy requirements in 2024.

28 Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount					Fair value		
Group	**Fair value through profit or loss US$'000**	**Fair value – hedging instruments US$'000**	**Financial assets at amortised cost US$'000**	**Other financial liabilities US$'000**	**Total carrying amount US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**
31 December 2024								
Financial assets								
Cash and cash equivalents	-	-	371,748	-	371,748	-	-	-
Debt investments	-	-	401,154	-	401,154	89,517	314,586	-
Loans and advances	17,769	-	4,237,957	-	4,255,726	-	-	4,413,278
Derivative financial assets	-	18,355	-	-	18,355	-	18,355	-
Other assets *	-	-	60,864	-	60,864	-	-	-
	17,769	**18,355**	**5,071,723**	**-**	**5,107,847**			
Financial liabilities								
Loans and borrowings	-	-	-	4,288,479	4,288,479	-	2,043,959	2,217,858
Lease liabilities	-	-	-	802	802	-	-	-
Derivative financial liabilities	-	40,814	-	-	40,814	-	40,814	-
Other liabilities *	-	-	-	64,232	64,232	-	-	-
Provisions	-	-	-	7,723	7,723	-	-	-
	-	**40,814**	**-**	**4,361,236**	**4,402,050**			

* *Non-financial assets and liabilities have been excluded from these balances.*

	Carrying amount				Fair value		
Group	**Fair value – hedging instruments US$'000**	**Financial assets at amortised cost US$'000**	**Other financial liabilities US$'000**	**Total carrying amount US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**
31 December 2023							
Financial assets							
Cash and cash equivalents	-	494,441	-	494,441	-	-	-
Debt investments	-	293,851	-	293,851	17,439	271,015	-
Loans and advances	-	3,640,536	-	3,640,536	-	-	3,984,819
Derivative financial assets	11,390	-	-	11,390	-	11,390	-
Other assets *	-	68,339	-	68,339	-	-	-
	11,390	**4,497,167**	**-**	**4,508,557**			
Financial liabilities							
Loans and borrowings	-	-	3,706,085	3,706,085	-	1,844,621	38,990
Lease liabilities	-	-	1,682	1,682	-	-	-
Derivative financial liabilities	64,452	-	-	64,452	-	64,452	-
Other liabilities *	-	-	60,889	60,889	-	-	-
Provisions	-	-	6,582	6,582	-	-	-
	64,452	**-**	**3,775,238**	**3,839,690**			

* *Non-financial assets and liabilities have been excluded from these balances.*

Company	Carrying amount					Fair value		
	Mandatorily at FVTPL US$'000	**Fair value – hedging instruments US$'000**	**Financial assets at amortised cost US$'000**	**Other financial liabilities US$'000**	**Total carrying amount US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**
31 December 2024								
Financial assets								
Cash and cash equivalents	-	-	42,956	-	42,956	-	-	-
Other assets	-	-	374	-	374	-	-	-
			43,330		43,330			
Financial liabilities								
Other liabilities	-	-	-	60	60			
31 December 2023								
Financial assets								
Cash and cash equivalents	-	-	20,919	-	20,919	-	-	-
Other assets	-	-	366	-	366	-	-	-
	-	-	21,285	-	21,285			
Financial liabilities								
Other liabilities	-	-	-	88	88	-	-	-

Measurement of fair values

Financial assets and financial liabilities not carried at fair value but for which fair values are disclosed

For loans and advances, fair values are estimated using discounted cash flow method.

For bank loans and commercial papers, the basis of arriving at fair values is by discounting cash flows using the relevant market interest rates for the respective currencies.

For investment debt securities and unsecured medium term notes issued, fair values are determined based on independent market quotes, where available. Where market prices are not available, fair values are estimated using discounted cash flow method.

Valuation techniques and significant unobservable inputs

For level 3 instruments with a significant unobservable input of yield to maturity, an increase in the significant unobservable input would decrease the fair value.

The following table provide the representative range of minimum and maximum values of each significant unobservable input for level 3 assets by the related valuation technique most significant to the related financial instrument.

Classification	Fair value US$'000	Valuation technique	Unobservable input	Change in input	Min value US$'000	Max value US$'000
Group						
31 December 2024						
Loans and advances	17,769	Income approach	credit spread	+/- 2%	19,001	16,662
31 December 2023						
Loans and advances	-	Income approach	credit spread	+/- 2%	-	-

29 Non-current assets and liabilities

Assets and liabilities other than those disclosed below are current:

	Group 2024 US$'000	Group 2023 US$'000	Company 2024 US$'000	Company 2023 US$'000
Assets				
Investments	376,035	293,851	-	-
Loans and advances	4,113,206	3,572,568	-	-
Deferred tax assets	4,312	2,649	-	-
Subsidiaries	-	-	500,098	494,903
Associates and joint ventures	96,837	91,229	81,478	82,080
Other assets	19,199	9,924	-	-
Property, plant and equipment and intangible assets	1,229	2,816	-	-
	4,610,818	**3,973,037**	**581,576**	**576,983**

	Group		Company	
	2024	**2023**	**2024**	**2023**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Liabilities				
Loans and borrowings	3,120,244	3,062,535	-	-
Other liabilities	16,206	53,304	-	-
Provisions	5,334	4,813	-	-
Net asset attributable to preference shareholder to BIC II	-	11,106	-	-
	3,141,784	**3,131,758**	-	-

30 Net assets attributable to BIC II Preference Shareholder

	2024	**2023**
	US$'000	**US$'000**
Net assets attributable to BIC II Preference Shareholder at the beginning of reporting year	11,106	-
Preference shares in BIC II acquired during the year	-	10,000
Preference shares in BIC II redeemed during the year	(10,000)	-
Share of Accumulated profits	(778)	1,006
Share of dividends paid during the year	(1,164)	(181)
Share of profit for the year/ Total comprehensive income for the year	836	281
Net assets attributable to BIC II Preference Shareholder at the end of year	-	11,106

Clifford Capital Holdings Pte. Ltd.
and its subsidiaries

Registration Number: 201937096E

Annual Report
Year ended 31 December 2023

Directors' statement

We are pleased to submit this annual report to the members of Clifford Capital Holdings Pte. Ltd. ("Company") together with the audited financial statements for the financial year ended 31 December 2023.

In our opinion:

(a) the financial statements set out on pages FS1 to FS70 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards issued by International Accounting Standards Board ('IFRS Accounting Standards'); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Sanjiv Misra (Chairman)
Loh Khum Yean
Rajeev Veeravalli Kannan
Patrick Lee Fook Yau
Teo Swee Lian
Elbert Jacobus Pattijn
Lee Chuan Teck
Jackie Surtani
Park Kyung-Ah
Parampally Murlidhar Maiya
Guy Daniel Harvey Samuel

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), no director who held office at the end of the financial year (including those held by their spouses and children) had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share options

During the financial year, there were:

(a) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(b) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept appointment.

On behalf of the Board of Directors

Sanjiv Misra
Director

Parampally Murlidhar Maiya
Director

29 February 2024

KPMG LLP
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Asia Square Tower 2
Singapore 018961

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Independent auditors' report

Members of the Company
Clifford Capital Holdings Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Clifford Capital Holdings Pte. Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS70.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company 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") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the 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 '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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 the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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, SFRS(I)s and IFRS Accounting Standards, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 controls 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 Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
29 February 2024

Statements of financial position
As at 31 December 2023

	Note	Group 2023 US$'000	Group 2022 US$'000	Company 2023 US$'000	Company 2022 US$'000
Assets					
Cash and cash equivalents	4	494,441	551,680	20,919	31,700
Derivative financial assets	23	11,390	4,009	-	-
Investments	5	293,851	270,313	-	-
Loans and advances	6	3,640,536	2,991,746	-	-
Other assets	7	69,902	35,274	130	366
Deferred tax assets	8	2,649	3,062	-	-
Subsidiaries	9	-	-	494,903	480,903
Equity accounted investees	10	91,229	63,738	82,080	58,011
Property, plant and equipment and intangible assets	11	2,816	4,193	-	-
Total assets		**4,606,814**	**3,924,015**	**598,032**	**570,980**
Liabilities					
Derivative financial liabilities	23	64,452	76,738	-	-
Loans and borrowings	12	3,707,767	3,126,339	-	-
Current tax liabilities		9,166	2,236	238	750
Provisions	13	6,582	5,727	-	-
Other liabilities	14	63,929	43,161	88	536
Total liabilities (excluding net assets attributable to BIC II Preference shareholder)		**3,851,896**	**3,254,201**	**326**	**1,286**
Equity					
Share capital	15	566,736	552,736	566,736	552,736
Reserves	16	(109,937)	(109,863)	3,443	3,443
Retained earnings		223,070	177,172	27,527	13,515
Equity attributable to owners of the Company		**679,869**	**620,045**	**597,706**	**569,694**
Non-controlling interests	17	63,943	49,769	-	-
Total equity		**743,812**	**669,814**	**597,706**	**569,694**
Net assets attributable to BIC II Preference Shareholder	30	**11,106**	**-**	**-**	**-**
Total liabilities and equity		**4,606,814**	**3,924,015**	**598,032**	**570,980**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of comprehensive income
Year ended 31 December 2023

	Note	Group 2023 US$'000	Group 2022 US$'000
Interest income	18	296,696	150,219
Interest expense	18	(186,350)	(71,057)
Net interest income		**110,346**	**79,162**
Fee and commission income (net)	19	(3,714)	336
Other income	20	1,172	7,349
Non-interest income		**(2,542)**	**7,685**
Net operating income		**107,804**	**86,847**
Staff costs	21	(28,148)	(22,451)
Depreciation and amortisation of property, plant and equipment and intangible assets	11	(1,678)	(1,802)
Other operating expenses		(11,805)	(10,348)
Total operating expenses		**(41,631)**	**(34,601)**
Impairment loss on financial assets	27	(5,629)	(13,611)
Share of profit of equity-accounted investees (net of tax)	10	7,010	2,046
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder before tax	21	**67,554**	**40,681**
Tax (expense)/credit	22	(9,275)	739
Increase in net assets attributable to Equity holders and BIC II Preference Shareholder		**58,279**	**41,420**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Changes in fair value of cash flow hedges reclassified to profit or loss		(74)	(254)
Total items that are or may be reclassified to profit or loss		**(74)**	**(254)**
Other comprehensive income for the year, net of tax		**(74)**	**(254)**
Total increase in net assets attributable to Equity holders and BIC II Preference Shareholder		**58,205**	**41,166**
Total increase in net assets attributable to:			
Owners of the Company		54,448	39,317
Non-controlling interests	17	3,476	1,849
BIC II Preference Shareholders	30	281	-
		58,205	**41,166**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity
Year ended 31 December 2023

	Share capital US$'000	Cash flow hedge reserve US$'000	Fair value reserve US$'000	Merger reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2022	**521,236**	**851**	**-**	**(110,460)**	**145,071**	**556,698**	**34,420**	**591,118**
Profit for the year	**-**	**-**	**-**	**-**	**39,571**	**39,571**	**1,849**	**41,420**
Other comprehensive income								
Change in fair value of cash flow hedges reclassified to profit or loss	-	(254)	-	-	-	(254)	-	(254)
Total comprehensive income for the year	**-**	**(254)**			**39,571**	**39,317**	**1,849**	**41,166**
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividends paid	-	-	-	-	(7,470)	(7,470)	-	(7,470)
Issue of ordinary shares	31,500	-	-	-	-	31,500	-	31,500
Issue of preference shares by a subsidiary	-	-	-	-	-	-	13,500	13,500
Total transactions with owners	**31,500**	**-**	**-**	**-**	**(7,470)**	**24,030**	**13,500**	**37,530**
At 31 December 2022	**552,736**	**597**	**-**	**(110,460)**	**177,172**	**620,045**	**49,769**	**669,814**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity (cont'd)
Year ended 31 December 2023

	Share capital US$'000	Cash flow hedge reserve US$'000	Fair value reserve US$'000	Merger reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2023	**552,736**	**597**	**-**	**(110,460)**	**177,172**	**620,045**	**49,769**	**669,814**
Profit for the year	-	-	-	-	54,522	54,522	3,476	57,998
						-	-	-
Other comprehensive income						-	-	-
Changes in fair value of cash flow hedges	-	(74)	-	-	-	(74)	-	(74)
Total comprehensive income for the year	**-**	**(74)**	**-**	**-**	**54,522**	**54,448**	**3,476**	**57,924**
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividends paid	-	-	-	-	(7,920)	(7,920)	-	(7,920)
Issue of ordinary shares	14,000	-	-	-	-	14,000	-	14,000
Issue of preference shares by a subsidiary	-	-	-	-	-	-	11,000	11,000
Share of retained earnings attributable to BIC II preference shareholder	-	-	-	-	(704)	(704)	(302)	(1,006)
Total transactions with owners	**14,000**	**-**	**-**	**-**	**(8,624)**	**5,376**	**10,698**	**16,074**
At 31 December 2023	**566,736**	**523**	**-**	**(110,460)**	**223,070**	**679,869**	**63,943**	**743,812**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows
Year ended 31 December 2023

	Note	Group 2023 US$'000	Group 2022 US$'000
Cash flows from operating activities			
Increase in net assets attributable Equity holders and BIC II Preference Shareholder before income tax		67,553	40,681
Adjustments for:			
Depreciation and amortisation	11	1,663	1,802
Loss / (gain) on sale of financial assets	20	174	(3,047)
Loss on sale of equity accounted investees	10	3,741	-
Net allowance for impairment on investments	27	(3,423)	3,059
Net allowance for impairment on loans and advances	27	8,925	10,552
Employee benefits and restoration provisions	13	2,191	2,543
Profit attributable to BIC II preference shareholders	30	1,287	-
Share of profit of equity-accounted investees (net of tax)	10	(7,010)	(2,046)
Interest income	18	(296,696)	(150,219)
Interest expense	18	186,350	71,057
		(35,245)	(25,618)
Changes in:			
• Investments		(20,066)	50,966
• loans and advances		(655,248)	(643,524)
• other assets		(53,776)	(25,264)
• other liabilities and provisions		7,313	(11,998)
Cash used in operations		**(757,022)**	**(655,438)**
Interest income received		313,638	152,149
Interest expense paid		(169,192)	(52,252)
Income tax paid		(1,933)	(429)
Net cash used in operating activities		**(614,509)**	**(555,970)**
Cash flows from investing activities			
Additional capital contribution in equity-accounted investees	10	(33,545)	(23,657)
Dilution of interests in equity-accounted investees	10	-	16,138
Dividends from equity-accounted investees	10	4,323	4,740
Proceeds from sale of equity accounted investees	10	5,000	-
Acquisition of property, plant and equipment and intangible assets	11	(448)	(1,035)
Bank deposits	4	(91,235)	28,736
Net cash (used in)/from investing activities		**(115,905)**	**24,922**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows (cont'd)
Year ended 31 December 2023

	Note	Group 2023 US$'000	Group 2022 US$'000
Cash flows from financing activities			
Proceeds from issue of share capital	15	14,000	31,500
Proceeds from partial disposal of interest in subsidiary		10,000	-
Proceeds from issue of preference shares		11,000	13,500
Dividends paid to shareholders		(7,920)	(7,470)
Dividends paid to BIC preference shareholders		(181)	-
Proceeds from issue of unsecured medium term notes	12	732,973	199,900
Repayment of unsecured medium term notes	12	-	(100,000)
Proceeds from bank borrowings	12	261,414	621,308
Repayment of bank borrowings	12	(514,776)	(235,355)
Proceeds from issue of commercial papers	12	493,233	640,109
Repayment of commercial papers	12	(710,794)	(862,882)
Proceeds from notes issued (net of transaction costs capitalised)	12	384,700	372,494
Repayments of notes	12	(90,800)	(39,966)
Payment of lease liabilities	24	(909)	(681)
Net cash from financing activities		**581,940**	**632,457**
Net (decrease)/increase in cash and cash equivalents		**(148,474)**	**101,409**
Cash and cash equivalents at 1 January		332,721	231,312
Cash and cash equivalents at 31 December	4	**184,247**	**332,721**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors (“Board”) on 29 February 2024.

1 Domicile and activities

Clifford Capital Holdings Pte. Ltd. (“Company” or “CCHPL”) is a company incorporated in Singapore. The address of the Company’s registered office is 1 Raffles Quay, #23-01 North Tower, Singapore 048583.

The financial statements of the Group comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in equity-accounted investees.

The Company is an investment holding company for the Group. The principal activities of the subsidiaries are set out in Note 9 to the financial statements.

2 Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and IFRS Accounting Standards are issued by the International Accounting Standards Board (“IFRS Accounting Standards”). SFR(I)s are issued by the Accounting Standards Committee under Accounting and Corporate Regulatory Authority (“ACRA”), which comprise standards and interpretations that are equivalent to IFRS Accounting Standards issued by the International Accounting Standards Board.

All references to SFRS(I)s and IFRS Accounting Standards are subsequently referred to as SFRS(I) in these financial statements, unless otherwise specified.

Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

Functional and presentation currency

These financial statements are presented in United States dollars (“USD”), which is the Company’s functional currency. All financial information presented in USD have been rounded to the nearest thousand, unless otherwise stated.

Use of estimates and judgements

The preparation of the 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.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 27 - impairment assessment of investments and loans and advances

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which change has occurred.

New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I)s for the first time for the annual period beginning on 1 January 2023:

- SFRS(I) 17: *Insurance Contracts*
- Amendments to SFRS(I) 1-12*: Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two model Rules*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

Material accounting policy information

The Company adopted Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 Disclosure of Accounting Policies for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Investments in equity-accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income (“OCI”) of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group’s share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee’s operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries, associates and joint ventures in the separate financial statements

Investments in subsidiaries, associates and joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses.

Non-Controlling Interests

Profit or loss are attributed to the equity holders of the Group and to the non-controlling interests. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Net assets attributable to Preference Shareholder of BIC II

Net assets attributable to Preference shareholders of BIC II are classified as financial liability due to the contractual rights made available to the preference shareholder by the Group.

Financial instruments

Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Financial assets are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI – financial assets or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVOCI

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The business models of the Group are as follows:

Held to collect

There are two main portfolios of financial assets that have a held-to-collect business model. The Company holds loans and advances which arise from its business of providing project financing to companies. The objective of the business model for these financial instruments is to collect the amounts due from the Company's loans and advances and earn contractual interest income.

The Group also holds a portfolio of corporate debt securities arising from its business of providing structured asset-backed debt financing to companies.

Held to collect and sell

The objective of the business model is for portfolio management purposes, such as managing concentration risks and exposures. The Company has the flexibility to hold these financial assets to collect the amounts due and earn contractual interest income, and to sell off these financial assets.

There were no outstanding balances under the Held to collect and sell business model as at 31 December 2023 and 31 December 2022.

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivatives designated as cash flow hedges.

Non-derivative financial liabilities

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or a financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies om accounting for modifications to the additional changes.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Fair value hedges of interest rate risk and foreign currency risk

The Group enters into interest rate swaps that are fair value hedges for interest rate risk arising from its fixed rate borrowing (“hedged item”). Pay-floating/receive-fixed interest rate swaps are matched to specific issuances of fixed-rate notes with terms that closely align with the critical terms of the hedged item. The fair value changes on the hedged item resulting from interest rate risk are recognised in profit or loss.

The Group also enters into cross currency swaps that are fair value hedges for foreign currency risk arising from its loans denominated in non-USD currencies (“hedged loan”). Pay non-USD/receive USD cross currency swaps are matched to specific non-USD denominated loans with terms that closely align with the critical terms of the hedged loan. The fair value changes on the hedged loan resulting from foreign currency risk are recognised in profit or loss.

If the hedged item/loan would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly. The fair value changes on the interest rate swaps and cross currency swaps designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item/loan. The fair value changes on the ineffective portion of the interest rate swaps and cross currency swaps are recognised separately in profit or loss.

By using derivative financial instruments to hedge exposures to changes in interest rates, the Group also exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged item. The Group minimises counterparty credit risk in derivative instruments by entering into transactions with high-quality counterparties and/or diversifying the hedging relationship with two or more counterparties.

Before fair value hedge accounting is applied by the Group, the Group determines whether an economic relationship between the hedged item and the hedging instrument exists based on an evaluation of the qualitative characteristics of these items and the hedged risk that is supported by quantitative analysis. The Group considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. The Group evaluates whether the fair value of the hedged item and the hedging instrument respond similarly to similar risks. The Group further supports this qualitative assessment by using regression analysis to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest rate method is used is amortised to profit or loss as part of the recalculated interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is amortised to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is discontinued.

Specific policies for hedges affected by IBOR reform

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or the hedging instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by IBOR reform. For this purpose, the hedge designation is amended only to make on or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows of fair value being hedged;
- updating the descripting of the hedging instrument; or
- updating the description of how the Group will assess hedge effectiveness.

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by IBOR reform by using an approach other than changing the basis for determining the contractual cash flows of the hedging instrument;
- the chosen approach is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship. If changes are made in addition to those economically equivalent changes required by IBOR reform described above, then the Group considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

- renovations and fixtures 5 years
- IT and office equipment 3 years

Depreciation methods, useful lives and residual values are reviewed, at the end of each reporting period and adjusted if appropriate.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for current and comparative years are as follows:

- IT software 3 to 5 years

Amortisation methods, useful lives and residual values are reviewed, at the end of each reporting period and adjusted if appropriate.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see note 3 on business combinations.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates and joint ventures.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Impairment

Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost and financial assets at FVOCI.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade and other receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assesses whether a significant increase in credit risk has occurred for an exposure by comparing the remaining lifetime probability of default ("PD") as at the reporting date, with the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure.

(a) Credit risk grade

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

(b) Incorporation of forward-looking information

The Group incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Group formulates three economic scenarios: a base case, which is the median scenario assigned a probability of occurring, and two less likely scenarios, one upside and one downside, each assigned a probability of occurring. External macro variables considered includes economic data and forecasts published by relevant authorities.

Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of the upside and downside representative scenarios.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses and are measured as follows:

- financial assets that are not credit impaired at the reporting date: the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).
- financial assets that are credit impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows; and.
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive.

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the term structures of the following variables:

- Probability of default (“PD”);
- loss given default (“LGD”); and
- exposure at default (“EAD”).

In general, the Group derives these parameters from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment.

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is “credit impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

For financial assets at FVOCI, loss allowances are charged to profit or loss and recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate or a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

Employee benefits

Other long-term employee benefits

The Group’s net obligation in respect of long-term employee benefits other than defined contribution plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

As the Group seeks to align employees’ interests with shareholders and to enable employees to share in the Group’s growth, it established a Long-term Incentive Unit (“LTIU”) scheme as part of its long-term employee benefits plan. This is a performance-based incentive scheme administered by the Leadership Development and Compensation Committee, a Board committee comprising directors who are duly authorised and appointed by the Board. Participants of this LTIU scheme are awarded units with a future vesting date and target value. On the vesting date, if the actual value of the unit equals or exceeds the target value set, participants are entitled to a cash payment based on the actual value for each unit held.

Long-term employee benefits are measured by amortising to profit or loss the estimated payout at vesting date on a straight-line basis over the vesting period.

The Group implemented a deferred bonus plan in which a portion of the annual performance bonus are deferred and payable in two tranches over a 2-year period from the end of the period in which it is awarded. The payout of deferred bonus is conditional on the employee remaining in service after the end of the award period up to the time of payout (the “stay period”). As the employee is entitled to a portion of the bonus exceeding 12 months after the end of the reporting period, the deferred bonus plan is classified as a long-term employee benefit for purposes of measurement and recognised over the stay period. The Group’s obligation in respect of long-term employee benefits is the amount of benefit the employees have earned in return for their service in the current and prior periods.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group 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.

Revenue

Interest income and expense

Interest income and interest expense as presented in Note 18 arise from all interest-bearing financial assets and financial liabilities regardless of their classification and measurement.

Interest income and interest expense are recognised on a time proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Fee income

Fee income are recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer and are recognised based on contractual rates agreed with customers.

A contract with a customer that results in a recognised financial instrument in the Group's financial statements may be partially in the scope of SFRS(I) 9 and partially in the scope of SFRS(I) 15. If this is the case, then the Group first applies SFRS(I) 9 to separate and measure the part of the contract that is in the scope of SFRS(I) 9 and then applies SFRS(I) 15 to the residual.

Management service fee income

The Group enters into management service contracts. Revenue related to the provision of management, administrative and support services under the management service fee agreements is recognised over time as the services are provided.

New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- Amendments to SFRS(I) 1: *Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*
- Amendments to SFRS(I) 1-28 *Investments in Associates and Joint Ventures and SFRS(I) 10 Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

4 Cash and cash equivalents

	Group		Company	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Bank balances	46,453	25,902	919	500
Short-term deposits	447,988	525,778	20,000	31,200
Cash and cash equivalents on the statements of financial position	**494,441**	**551,680**	**20,919**	**31,700**
Short-term deposits with original maturity of more than three months	(310,194)	(218,959)	(5,000)	-
Cash and cash equivalents on the statements of cash flows	**184,247**	**332,721**	**15,919**	**31,700**

The Group's exposure to credit and market risks and fair value information are disclosed in notes 27 and 28.

5 Investments

	Note	Group	
		2023 US$'000	**2022 US$'000**
Debt investments – at amortised cost		294,069	275,361
Allowance for impairment	27	(1,625)	(5,048)
Fair value changes from fair value hedge	27	1,407	-
		293,851	**270,313**

Debt investments classified at amortised cost have stated interest rates of 3.9% to 8.3% (2022: 3.9% to 6.0%) and mature in 1 to 15 years (2022: 2 to 16 years).

The Group's exposure to credit and market risks, fair value information and impairment losses for investments measured at amortised cost are disclosed in notes 27 and 28.

6 Loans and advances

	Note	Group	
		2023 US$'000	**2022 US$'000**
Loans and advances - at amortised cost		3,691,946	3,037,569
Allowance for impairment	27	(50,657)	(41,733)
Fair value changes from fair value hedge		(753)	(4,090)
		3,640,536	**2,991,746**

Loans and advances classified at amortised cost include loans at variable interest rates with stated interest rates as follows:

	2023	**2022**
Synthetic USD LIBOR ("Synthetic LIBOR")	+1.35% to +3.2%	+1.0% to +7.3%
SOFR	+0.90% to +4.8%	+1.4% to +4.8%
BBSY	+1.45% to +2.5%	+1.5% to +2.5%
EURIBOR	2.20%	2.20%
SORA	3.10%	Nil

These variable interest rate loans mature in 1 to 19 years (2022: 1 to 20 years) and also include loans at fixed interest rates with stated interest rates of 3.3% to 11.5 % (2022: 3.0% to 6.3%) and mature in 3 to 12 years (2022: 4 to 13 years).

The Group's exposure to credit and market risks, fair value information and impairment losses for investments measured at amortised cost are disclosed in notes 27 and 28.

7 Other assets

	Group		Company	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Trade receivables due from a joint venture	-	98	-	-
Trade receivables due from a subsidiary	-	-	-	-
Interest receivable - debt investments, loans and advances	38,971	24,023	-	-
Interest receivable - interest rate swaps used for hedging	5,898	5,231	-	-
Interest receivable - cross currency swaps used for hedging	817	29	-	-
Interest receivable - short-term deposits	5,560	3,751	18	74
Fees receivable	426	399	-	-
Deposits	481	476	-	-
Other receivables	16,186	32	-	-
GST receivable	499	491	112	292
Prepayments	1,064	744	-	-
	69,902	**35,274**	**130**	**366**

Deposits and other receivables comprise fixed deposit interest receivables and amounts pending trade settlement. The balances are non-trade, unsecured and interest-free. The amounts are classified as current as the Group expects to receive payment within the next 12 months.

The Group's exposure to credit and market risks and fair value information are disclosed in notes 27 and 28.

8 Deferred tax assets

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group	
	2023	**2022**
	US$'000	**US$'000**
Property, plant and equipment and intangible assets	(335)	(88)
Provisions	685	830
Impairment allowances	2,299	2,320

	2,649	**3,062**

Movement in deferred tax balances

Group	At 1 January 2022 US$'000	Recognised in profit or loss US$'000	At 31 December 2022 US$'000	Recognised in profit or loss (Note 22) US$'000	At 31 December 2023 US$'000
Property, plant and equipment and intangible assets	(77)	(11)	(88)	(247)	(335)
Provisions	315	515	830	(145)	685
Impairment allowances	-	2,320	2,320	(21)	2,299
	238	**2,824**	**3,062**	**(413)**	**2,649**

9 Subsidiaries

	Company 2023 US$'000	2022 US$'000
Equity investments at cost	494,903	480,903

Details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/Country of incorporation	Ownership interest 2023 %	2022 %	Principal activity
Direct subsidiaries				
Clifford Capital Pte. Ltd.	Singapore	100	100	Debt financing
Bayfront Infrastructure Management Pte. Ltd.	Singapore	70	70	Debt financing
CCH Management Services Pte. Ltd.	Singapore	100	100	Back-end service provider
Indirect subsidiaries				
BIM Asset Management Pte. Ltd.	Singapore	70	70	Asset management
Bayfront Infrastructure Capital II Pte. Ltd.	Singapore	52.56	70	Debt financing
Bayfront Infrastructure Capital III Pte. Ltd.	Singapore	70	70	Debt financing
Bayfront Infrastructure Capital IV Pte. Ltd. ^	Singapore	56.33	-	Debt financing

^ Subsidiaries are entities controlled by the Group. The Group controls an entity since it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

With regards to the Group's investment in BIC II, BIC III and BIC IV, BIM AM acts as the Collateral Manager for those entities, and the Company holds ordinary and preference shares in all the three entities. The preference shareholder receives residual cash flows from the securitised loan assets and absorbs the first loss arising from any loan default. The Group has assessed its relationship with BIC II, BIC III and BIC IV and concluded that all the three entities meet the definition of subsidiary of the Group.

On 3 July 2023, the Company disposed off 10,000,000 preference shares representing 24.92% of the total preference share capital issued by BIC II for US$10,000,000 to an external investor. The Company received a sales consideration equivalent to that of the carrying value, and hence there was no gain or loss recorded on disposal of such interest.

On 18 September 2023, BIC IV has issued 5,000,000 Preference Shares representing 19.53% of the total issued preference share capital to an external investor for a consideration of US$5,000,000.

The interests held by the external investor in BIC IV is classified as Non-Controlling Interests whereas the interests held by the external investor in BIC II is classified as net assets attributable to BIC II Preference Shareholder (Note 30).

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

10 Equity accounted investees

	Group		Company	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Interest in an associate	91,229	54,302	82,080	48,535
Interests in joint ventures	-	9,436	-	9,476
	91,229	**63,738**	82,080	**58,011**

Associate

The Group has only one associate which is equity accounted. The following are details of the associate:

	Keppel-Pierfront Private Credit Fund, LP
Nature of relationship with the Group	Fund which invests in debt instruments issued by companies in the real asset sectors in Asia-Pacific
Principal place of business/Country of incorporation	Singapore
Economic interest	22.54% (2022: 22.54%)

The following summarises the financial information of the Group's associate based on its financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Keppel-Pierfront Private Credit Fund, LP US$'000
2023	
Revenue	35,101
Profit and total comprehensive income	**34,744**
Attributable to investee's all limited partners	34,744
Non-current assets	73,628
Current assets	308,821
Current liabilities	(53)
Net assets	382,396
Attributable to investee's limited partners	382,396

Group's interest in net assets of investee at beginning of the year	**54,302**
Group's share of profit of equity-accounted investees (net of tax):	
- profit (loss) from current year	7,705
- profit and total comprehensive income	7,705
Group's contribution during the year	49,022
Proceed from capital return	(15,477)
Dividends received during the year	(4,323)
Carrying amount of interest in investee at end of the year	**91,229**

	Keppel-Pierfront Private Credit Fund, LP US$'000
2022	
Revenue	11,895
Profit and total comprehensive income	**11,510**
Attributable to investee's all limited partners	11,510
Non-current assets	56,028
Current assets	160,687
Current liabilities	(63)
Net assets	216,652
Attributable to investee's limited partners	216,652
Group's interest in net assets of investee at beginning of the year	**49,690**
Group's share of profit of equity-accounted investees (net of tax):	
- profit (loss) from current year	2,622
- loss on dilution	(789)
- profit and total comprehensive income	1,833
Group's contribution during the year	23,657
Proceed from Group's dilution of interest	(16,138)
Dividends received during the year	(4,740)
Carrying amount of interest in investee at end of the year	**54,302**

Keppel-Pierfront Private Credit Fund, LP or "KPPCF" secured total new capital commitments of US$255,000,000 from three new institutional investors in its second closing in November 2021 ("Second Close") bringing the total capital commitments to US$388,700,000. Out of the US$255,000,000 total new capital commitments, US$188,732,394 is currently available for drawdown. In the prior year, total capital commitments available for drawdown after the Second Close was US$388,732,394.

Pursuant to the Second Close, the Company received US$26,485,062 distributions from KPPCF for dilution of its interest in KPPCF from 50% to 25.72%.

As of 30 September 2022, which was also the date of the final close, KPPCF secured total capital commitments of US$487,450,000. Total capital commitments available for drawdown after the final close is US$443,577,465.

Pursuant to the final close, the Company received US$3,684,994 distributions from KPPCF for dilution of its interest in KPPCF from 25.72% to 22.54%.

The following table summarises the financial impact to the Group's profit or loss on the Group's dilution of interest in KPPCF :

	Group	
	2023 US$'000	**2022 US$'000**
Interest income from limited partners of equity-accounted investees in other income	-	358
Loss on dilution in share of profit of equity-accounted investees (net of tax)	-	(789)
	-	**(431)**

Joint ventures

Keppel Credit Fund Management Pte. Ltd. or "KCFM" (Formerly known as Pierfront Capital Fund Management Pte. Ltd.) and KP Management (GP) Pte. Ltd. or "KPGP" are unlisted joint ventures in which the Group have joint control via shareholders' agreement and 50% ownership interest and are accounted for using the equity method. KCFM and KPGP are principally engaged in fund management and investment holding activities, respectively, and are based in Singapore.

On 30 September 2023, the Group entered into a sales and purchase agreement to dispose its entire 50% interest in KCFM for a cash consideration of US$5m. Following the completion of the disposal, the Group continues to equity-account for KPPCF.

The following table summarises the financial information of KCFM, based on their financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

As at 31 December 2023 and 31 December 2022, KPGP has an immaterial net asset position. KPGP also has immaterial revenue and profit before tax for the year ended 31 December 2023 and 31 December 2022.

	Keppel Credit Fund Management Pte. Ltd. (Formerly known as Pierfront Capital Fund Management Pte. Ltd.)
30 September 2023	
Revenue	4,028
Profit and total comprehensive income	**(1,390)**
Current assets [a]	5,502
Current liabilities	(2,912)
Net assets	**2,590**

[a] Includes cash and cash equivalents of US$5,170,435.

Group's interest in net assets of investees at beginning of the year	9,436
Share of total comprehensive income	(695)

	Keppel Credit Fund Management Pte. Ltd. (Formerly known as Pierfront Capital Fund Management Pte. Ltd.)
30 September 2023	
Disposal of interest	(8,741)
Carrying amount of interest in investees at end of the year	**-**
31 December 2022	
Revenue	8,297
Profit and total comprehensive income	**426**
Current assets [a]	8,685
Current liabilities	(4,705)
Net assets	**3,980**
[a] Includes cash and cash equivalents of US$6,515,246	
Group's interest in net assets of investees at beginning of the year	9,223
Share of total comprehensive income	213
Carrying amount of interest in investees at end of the year	**9,436**

11 Property, plant and equipment and intangible assets

Group	Right-of-use assets US$'000	Renovations and fixtures US$'000	IT and office equipment US$'000	IT software US$'000	Total US$'000
Cost					
At 1 January 2022	1,714	564	176	2,775	5,229
Additions	2,496	950	-	86	3,532
Expired	(1,714)	-	-	-	(1,714)
Written off	-	-	(8)	-	(8)
At 31 December 2022	**2,496**	**1,514**	**168**	**2,861**	**7,039**
At 1 January 2023	2,496	1,514	168	2,861	7,039
Additions	-	407	8	33	448
Written off	-	(92)	-	(70)	(162)
Transfer	-	(295)	281	14	-
At 31 December 2023	**2,496**	**1,534**	**457**	**2,838**	**7,325**
Accumulated depreciation					
At 1 January 2022	1,119	342	132	1,164	2,757

Depreciation and amortisation	657	242	36	867	1,802
Expired	(1,713)	-	-	-	(1,713)
At 31 December 2022	**63**	**584**	**168**	**2,031**	**2,846**
At 1 January 2023	62	584	168	2,032	2,846
Depreciation and amortisation	834	211	103	530	1,678
Written off	-	-	-	(15)	(15)
At 31 December 2023	**896**	**795**	**271**	**2,547**	**4,509**
Carrying amounts					
At 1 January 2022	**595**	**222**	**44**	**1,611**	**2,472**
At 31 December 2022	**2,433**	**930**	**-**	**830**	**4,193**
At 31 December 2023	**1,600**	**739**	**186**	**291**	**2,816**

Property, plant and equipment and intangible assets include property, plant and equipment of US$2,524,554 (2022: US$3,833,395) and intangible assets of US$291,137 (2022: US$360,011).

12 Loans and borrowings

	Group 2023 US$'000	Group 2022 US$'000
Non-current liabilities		
Unsecured medium term notes	2,079,320	1,612,761
Notes issued	982,393	690,327
Lease liabilities	822	1,665
	3,062,535	**2,304,753**

	Group 2023 US$'000	Group 2022 US$'000
Current liabilities		
Unsecured medium term notes	294,514	-
Unsecured bank loans	164,591	417,952
Unsecured commercial papers	185,267	402,828
Lease liabilities	860	806
	645,232	**821,586**
	3,707,767	**3,126,339**

The Group's unsecured medium term notes, unsecured bank loans, unsecured commercial papers of US$2,732,694,000 (2022: US$2,433,541,000) are unconditionally and irrevocably guaranteed ("Guarantee") by the Government of Singapore ("Guarantor"). The total amount recoverable by all creditors from the Guarantor under the Guarantee in respect of all documents relating to such loans and borrowings ("Guaranteed Documents") is limited to:

- an aggregate amount of US$5,300,000,000 (2022: US$5,300,000,000) in respect of principal sums; and
- an aggregate amount of US$600,000,000(2022: US$600,000,000) in respect of interest (including interest on overdue interest), making an overall aggregate limit of US$5,900,000,000 (2022: US$5,900,000,000) for both principal and interest payable under all Guaranteed Documents entered into between all creditors and the Group.

From 1 October 2022, a guarantee fee of 0.20% per annum on outstanding loans and borrowings of a subsidiary is payable to the Guarantor.

Included in the notes issued are the Class D Notes issued by BIC IV which have legal final maturity on 11 April 2044 and face value of US$13,000,000. The initial Class D Noteholders are guaranteed by Guarant Co Limited ("Class D Guarantor") for the due and punctual payment by BIC IV of its payment obligations under the Transaction Documents in respect of principal and interest amounts on the Class D Notes, up to the maximum guaranteed amount of US$15,000,000. Bayfront pays a guarantee fee of 3.00% per annum to the Class D Guarantor, and the guarantee fees paid are fully amortised over the applicable guarantee cover period.

Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	Other loans and borrowings US$'000	Lease liabilities US$'000	Total US$'000
At 1 January 2022	**2,620,748**	**633**	**2,621,381**
Changes from financing cash flows			
Proceeds from issue of unsecured medium term notes	199,900	-	199,900
Repayment of unsecured medium term notes	(100,000)	-	(100,000)
Proceeds from bank borrowings	621,308	-	621,308
Repayment of bank borrowings	(235,355)	-	(235,355)
Proceeds from issue of commercial papers	640,109	-	640,109
Repayment of commercial papers	(862,882)	-	(862,882)
Proceeds from notes	372,494	-	372,494
Repayment of notes	(39,966)	-	(39,966)
Payments of lease liabilities	-	(681)	(681)
Total changes from financing cash flows	**595,608**	**(681)**	**594,927**
The effect of changes in foreign exchange rates	**-**	**27**	**27**
Change in fair value	**(91,161)**	**-**	**(91,161)**
Liability-related other changes			
New leases	-	2,477	2,477
Capitalised borrowing cost	(2,071)	-	(2,071)
Interest expense	746	15	761
Senior loan effective interest rate amortisation	(2)	-	(2)
Total liability-related other changes	**(1,327)**	**2,492**	**1,165**
At 31 December 2022	**3,123,868**	**2,471**	**3,126,339**

Group	Other loans and borrowings US$'000	Lease liabilities US$'000	Total US$'000
At 1 January 2023	**3,123,868**	**2,471**	**3,126,339**
Changes from financing cash flows			
Proceeds from issue of unsecured medium term notes	732,973		732,973
Repayment of unsecured medium term notes	-		-
Proceeds from bank borrowings	261,414		261,414
Repayment of bank borrowings	(514,776)		(514,776)
Proceeds from issue of commercial papers	493,233		493,233
Repayment of commercial papers	(710,794)		(710,794)
Proceeds from notes issued	384,700		384,700
Repayment of notes	(90,800)		(90,800)
Payments of lease liabilities	-	(909)	(909)
Total changes from financing cash flows	**555,950**	**(909)**	**555,041**
The effect of changes in foreign exchange rates	**-**	**15**	**15**
Change in fair value	**28,147**	**-**	**28,147**
Liability-related other changes			
Capitalised borrowing cost	(2,957)		(2,957)
Interest expense	1,152	105	1,257
Senior loan effective interest rate amortisation	(75)		(75)
Total liability-related other changes	**(1,880)**	**105**	**(1,775)**
At 31 December 2023	**3,706,085**	**1,682**	**3,707,767**

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

Unsecured medium term notes issued

			2023		2022	
Currency	**Nominal interest rate per annum %**	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**	**Face value US$'000**	**Carrying amount US$'000**
USD	2.79%	2025	50,000	49,990	50,000	49,988
USD	3.10%	2030	50,000	49,964	50,000	49,965
USD	2.20%	2026	50,000	49,987	50,000	49,982
USD	3.03%	2027	50,000	50,258	50,000	50,340
USD	3.20%	2032	50,000	49,952	50,000	49,947
USD	2.95%	2027	50,000	49,975	50,000	49,974
USD	3.12%	2032	50,000	49,956	50,000	49,954
USD	3.11%	2032	40,000	39,967	40,000	39,966
USD	3.38%	2028	300,000	290,075	300,000	286,849
USD	1.73%	2024	300,000	294,514	300,000	288,481
USD	1.12%	2026	500,000	464,001	500,000	449,412
USD	4.14%	2027	200,000	198,962	200,000	197,903
AUD	4.75%	2028	233,212	242,366	–	–
USD	4.26%	2026	500,000	493,867	–	–
			2,423,212	**2,373,834**	**1,690,000**	**1,612,761**

Group	Currency	Nominal interest rate per annum %	Year of maturity	Face value US$'000	Carrying amount US$'000
2023					
Unsecured commercial papers					
Unsecured commercial papers	USD	5.58%	2024	25,000	24,916
Unsecured commercial papers	USD	5.40%	2024	10,000	9,919
Unsecured commercial papers	USD	5.62%	2024	31,500	31,385
Unsecured commercial papers	USD	5.61%	2024	20,000	19,885
Unsecured commercial papers	USD	5.41%	2024	100,000	99,162
				186,500	**185,267**
Notes issued					
Notes issued	USD	ON SOFR + 0.42826%+ 1.25 with 5 days lookback *	2044	125,895	125,419
Notes issued	USD	ON SOFR + 0.42826%+ 1.20 with 5 days lookback *	2044	85,400	85,078
Notes issued	USD	ON SOFR + 0.42826%+ 1.85 with 5 days lookback *	2044	33,300	33,174
Notes issued	USD	ON SOFR + 0.42826%+ 2.35 with 5 days lookback *	2044	22,100	22,016
Notes issued	USD	ON SOFR + 0.42826%+ 3.4 with 5 days lookback *	2044	8,800	8,767
Notes issued	USD	Term SOFR + 1.55%	2044	159,415	158,628
Notes issued	USD	Term SOFR + 1.50%	2044	93,324	92,863
Notes issued	USD	Term SOFR + 2.3%	2044	33,400	31,547
Notes issued	USD	Term SOFR + 4.6%	2044	43,000	42,787
Notes issued	USD	Term SOFR + 1.50%	2044	170,600	169,453
Notes issued	USD	Term SOFR + 1.43%	2044	115,000	114,227
Notes issued	USD	Term SOFR + 2.25%	2044	54,500	54,133
Notes issued	USD	Term SOFR + 4.90%	2044	31,600	31,388

Notes issued	USD	Term SOFR + 3.50%	2044	13,000	12,913
				989,334	**982,393**
Unsecured bank loans					
Unsecured bank loans 1	AUD	0.04702	2024	3,133	3,133
Unsecured bank loans 2	AUD	0.04714	2024	1,022	1,022
Unsecured bank loans 3	USD	ON SOFR + 0.40% with 5days lookback	2024	65,000	65,000
Unsecured bank loans 4	USD	BBSY + 0.45%	2024	19,619	19,619
Unsecured bank loans 5	USD	BBSY + 0.45%	2024	17,302	17,302
Unsecured bank loans 6	USD	BBSY + 0.45%	2024	27,997	27,997
Unsecured bank loans 7	USD	BBSY + 0.45%	2024	13,352	13,352
Unsecured bank loans 8	USD	BBSY + 0.45%	2024	17,166	17,166
				164,591	**164,591**

Group	**Currency**	**Nominal interest rate per annum %**	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**
2023					
Lease liabilities					
Lease liability 1	SGD	4.960	2025	1,668	1,668
Lease liability 2	SGD	0.581	2025	6	6
Lease liability 3	SGD	20.000	2027	8	8
				1,682	**1,682**
Interest-bearing liabilities				**3,765,319**	**3,707,767**

Group	**Currency**	**Nominal interest rate per annum %**	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**
2022					
Unsecured commercial papers					
Unsecured commercial papers	USD	2.800	2023	25,000	24,981
Unsecured commercial papers	USD	3.260	2023	100,000	99,964
Unsecured commercial papers	USD	3.810	2023	50,000	49,626
Unsecured commercial papers	USD	4.350	2023	50,000	49,803
Unsecured commercial papers	AUD	3.082	2023	8,857	8,838
Unsecured commercial papers	USD	3.311	2023	20,000	19,967
Unsecured commercial papers	USD	3.929	2023	50,000	49,898
Unsecured commercial papers	USD	4.260	2023	50,000	49,775
Unsecured commercial papers	USD	4.120	2023	50,000	49,976
				403,857	**402,828**

Notes issued					
Notes issued	USD	Libor+1.25	2033	153,088	152,450
Notes issued	USD	Libor+1.20	2033	103,847	103,414
Notes issued	USD	Libor+1.85	2033	33,300	33,161
Notes issued	USD	Libor+2.35	2033	22,100	22,008
Notes issued	USD	Libor+3.40	2033	8,800	8,763
Notes issued	USD	Term SOFR+1.55	2036	187,900	186,903
Notes issued	USD	Term SOFR+1.50	2036	110,000	109,416
Notes issued	USD	Term SOFR+2.30	2036	33,400	33,222
Notes issued	USD	Term SOFR+4.60	2036	43,000	40,990
				695,435	**690,327**
Unsecured bank loans					
Unsecured bank loans 1	AUD	3.508	2023	27,933	27,933
Unsecured bank loans 2	AUD	3.541	2023	14,852	14,852
Unsecured bank loans 3	AUD	3.548	2023	2,316	2,316
Unsecured bank loans 4	AUD	3.631	2023	2,112	2,112
Unsecured bank loans 5	USD	ON SOFR+0.1465+0.33 with 5 days lookback	2023	37,000	37,000
Unsecured bank loans 6	USD	ON SOFR+0.1465+0.33 with 5 days lookback	2023	200	200
Unsecured bank loans 7	USD	ON SOFR+0.40 with 5 days lookback	2023	43,000	43,000
Unsecured bank loans 8	USD	TERM SOFR+0.50	2023	93,000	93,000
Unsecured bank loans 9	USD	ON SOFR+0.09938	2023	20,000	20,000
Unsecured bank loans 10	USD	ON SOFR+0.40 with 5 days lookback	2023	7,000	7,000

Group	**Currency**	**Nominal interest rate per annum %**	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**
2022					
Unsecured bank loans (cont'd)					
Unsecured bank loans 11	USD	ON SOFR+0.1465+ 0.33 with 5 days lookback	2023	5,500	5,500
Unsecured bank loans 12	AUD	BBSY+0.33	2023	17,039	17,039
Unsecured bank loans 13	USD	Interpolated LIBOR+0.33	2023	20,000	20,000
Unsecured bank loans 14	USD	ON SOFR+0.40 with 5 days lookback	2023	50,000	50,000
Unsecured bank loans 15	USD	ON SOFR+0.1465+0.33 with 5 days lookback	2023	47,000	47,000
Unsecured bank loans 16	USD	ON SOFR+0.1465+0.33 with 5 days lookback	2023	31,000	31,000
				417,952	**417,952**
Lease liabilities					
Lease liability 1	SGD	4.960	2025	2,453	2,453
Lease liability 2	SGD	0.581	2025	9	9
Lease liability 3	SGD	20.000	2027	9	9
				2,471	**2,471**
Interest-bearing liabilities				**3,209,715**	**3,126,339**

The Group's exposure to liquidity and market risks and fair value information related to loans and borrowings are disclosed in notes 27 and 28.

13 Provisions

Group	Employee benefits US$'000	Restoration US$'000	Total US$'000
At 1 January 2022	**5,143**	**208**	**5,351**
Provision made during the year	2,523	20	2,543
Provision used during the year	(2,171)	-	(2,171)
Unrealised foreign exchange difference	4	-	4
At 31 December 2022	**5,499**	**228**	**5,727**
At 1 January 2023	**5,499**	**228**	**5,727**
Provision made during the year	2,527	–	2,527
Lapsed during the year	(336)	-	(336)
Provision used during the year	(1,336)	-	(1,336)
At 31 December 2023	**6,354**	**228**	**6,582**

Employee benefits

Long Term Incentive Units

This relates to compensation costs of the Group's Long Term Incentive Units ("LTIU") scheme, a deferred compensation plan granted to management personnel of the Group. The LTIU is awarded each year and is vested over a period of 3 years, at the end of which the LTIU will cash-settle if Clifford Capital Holdings Pte. Ltd. achieves certain pre-determined book value and Return on Equity targets. The scheme is administered by Clifford Capital Holdings Pte. Ltd., with the corresponding costs charged directly to the Group.

Restoration

The provision for reinstatement costs relate primarily to costs of dismantlement, removal or restoration of office upon termination of lease and is estimated based on market quotations.

14 Other liabilities

	Group		Company	
	2023 US$'000	2022 US$'000	2023 US$'000	2022 US$'000
Current liabilities				
Trade payables due to third parties	743	367	15	2
Trade payables due to subsidiaries	-	-	-	509
Interest payable to subsidiary	-	-	24	-
Accrued interest payable	43,179	27,985	-	-
Accrued expenses	16,967	11,669	49	25
Deferred income	3,040	3,140	-	-
	63,929	**43,161**	**88**	**536**

Outstanding balances with related parties are unsecured.

The Group's exposure to liquidity and market risks and fair value information related to other liabilities is disclosed in notes 27 and 28.

15 Share capital

Company	2023 Number of shares	2022 Number of shares
Fully paid ordinary shares, with no par value		
In issue at 1 January	**362,895,030**	344,117,088
Issued for cash	8,345,753	18,777,942
In issue at 31 December	**371,240,783**	**362,895,030**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets. All issued shares are fully paid, with no par value.

Ordinary shares

Issue of ordinary shares

On 18 March 2022 and 9 September 2022, the Company issued 18,777,942 ordinary shares at US$1.6775 per share to provide working capital to Bayfront Infrastructure Management Pte. Ltd.

On 30 August 2023, the Company issued 8,345,753 ordinary shares at US$1.6775 per share to provide working capital to Bayfront Infrastructure Management Pte. Ltd.

During the financial year ended 31 December 2022, the Group and the Company declared and paid exempt (one-tier) dividends to owners of the Company at 2.2 cents per qualifying ordinary shares amounting to US$7,470,064.

During the financial year ended 31 December 2023, the Group and the Company declared and paid exempt (one-tier) dividends to owners of the Company at 2.2 cents per qualifying ordinary shares amounting to US$7,920,184.

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors. These exempt (one-tier) dividends have not been provided for.

	Group and Company	
	2023 US$'000	**2022 US$'000**
4.9564 cents per qualifying ordinary share (2022: 2.1825 cents)	18,400	7,920

16 Reserves

The reserves of the Group and the Company comprise the following balances:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Cash flow hedge reserve	523	597	-	-
Merger reserve	(110,460)	(110,460)	3,443	3,443
	(109,937)	**(109,863)**	**3,443**	**3,443**

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

Merger reserve

Merger reserve of the Group and Company relates to the difference between consideration paid and the paid-in capital of CCPL which was acquired by the Company by way of common control transaction pursuant to a restructuring exercise.

17 Non-controlling interests

The following subsidiaries have NCI that are material to the Group.

Name of subsidiary	Principal place of business/Country of incorporation	Ownership interests held by NCI	
		2023	**2022**
		%	**%**
Direct subsidiary			
Bayfront Infrastructure Management Pte. Ltd.	Singapore	30	30

The following summarised financial information for the above subsidiaries is prepared in accordance with SFRS(I) that are equivalent to IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Bayfront Infrastructure Management Pte. Ltd. and its subsidiaries	
	2023	**2022**
	US$'000	**US$'000**
Revenue	31,571	19,925
Increase in net assets attributable Equity holders and BIC II Preference Shareholder	**12,026**	**6,167**
Attributable to NCI:		
Profit for the year	3,476	1,849
OCI	-	-
Total comprehensive income	**3,476**	**1,849**
Non-current assets	1,839,134	1,304,022
Current assets	201,030	111,600
Total liabilities (excluding net assets attributable to BIC II Preference shareholder)	(1,827,420)	(1,249,723)
Net assets attributable to equity holders and BIC II Preference shareholder	**212,744**	**165,899**
Net assets attributable to NCI	**63,943**	**49,769**

	Bayfront Infrastructure Management Pte. Ltd. and its subsidiaries	
	2023	**2022**
	US$'000	**US$'000**
Cash flows used in operating activities	(567,387)	(611,759)
Cash flows from/(used in) investing activities	109,095	41,561
Cash flows from financing activities	518,249	562,616
Net (decrease)/increase in cash and cash equivalents	**59,957**	**(7,582)**

Bayfront Infrastructure Management Preference shares

The NCI holds 100% of the redeemable preference shares of Bayfront Infrastructure Management Pte. Ltd.

The redeemable preference shares of Bayfront Infrastructure Management Pte. Ltd. have the following rights, benefits and privileges and are subject to the following restrictions:

Dividend

Preference shareholders shall be entitled, in preference of the ordinary shareholders, to be paid out of the distributable profits a preference dividend, (i) as may be determined by the Board of Directors from time to time, or (ii) as may be declared by an Ordinary Resolution of the company from time to time, for an amount not exceeding the Account Balance. The preference dividend shall be declared based on the Company's profits available.

Capital

On liquidation, dissolution or winding up (whether voluntary or involuntary) of Bayfront Infrastructure Management Pte. Ltd., the assets available for distribution among the members of Bayfront Infrastructure Management Pte. Ltd. shall be applied as follows:

- firstly, the preference shareholders shall be entitled to receive, prior and in preference to any distribution of assets and funds of the Company to the ordinary shareholders, the amount issued and fully paid up of preference share equal to the original issue price of such preference share held by each holder, plus preference dividend declared but remains unpaid;

- secondly, if assets and funds of the Company to be distributed among the preference shareholders is insufficient to permit the payment to such holders the full preferential amounts payable thereon, the entire assets and funds of the Company shall be distributed rateably amongst the preference shareholders in proportion to the number of shares held; and

- thirdly, upon payment in full of the preferential amounts to the preference shareholders, all remaining assets and funds of the Company shall be made available for distribution and upon completion of distribution, shall be further distributed rateably among the holders of preference shares and ordinary shares in proportion to the number of shares owned by each holder.

Redemption

Subject to satisfaction of the Redemption Conditions and applicable law, the Preference Shares may be redeemed, at the option of the Company and on such basis and for such reason as the company may determine to be appropriate, in whole or in part, on any Optional Redemption Date at the Redemption Price upon delivery of a Redemption Notice (delivered in accordance with the constitution of the Company).

Voting

The preference share shall confer on the holder thereof the right to receive notice of, or to attend and vote at, all meetings of Bayfront Infrastructure Management Pte. Ltd. and same voting rights as the holders of ordinary shares of Bayfront Infrastructure Management Pte. Ltd.

Where the preference shareholders are entitled to vote on any resolution, then, at the relevant general meetings, shall have one (1) vote for every preference share.

Bayfront Infrastructure Capital IV Preference shares

The redeemable preference shares of Bayfront Infrastructure Capital IV Pte. Ltd. have the following rights, benefits and privileges and are subject to the following restrictions:

Dividend

Preference shareholders shall be entitled, in preference of the ordinary shareholders, to be paid out of the distributable profits a preference dividend, (i) as may be determined by the Board of Directors from time to time, or (ii) as may be declared by an Ordinary Resolution of the company from time to time, for an amount not exceeding the Account Balance. The preference dividend shall be declared based on the Company's profits available.

Liquidation Preference

On liquidation, dissolution or winding up (whether voluntary or involuntary) of the Company, the assets of the Company available for distribution among the members shall be applied as follows:

- firstly, the preference shareholders shall be entitled to receive, prior and in preference to any distribution of assets and funds of the Company to the ordinary shareholders, the amount issued and fully paid up of preference share equal to the original issue price of such preference share held by each holder, plus preference dividend declared but remains unpaid;

- secondly, if assets and funds of the Company to be distributed among the preference shareholders is insufficient to permit the payment to such holders the full preferential amounts payable thereon, the entire assets and funds of the Company shall be distributed rateably amongst the preference shareholders in proportion to the number of shares held; and

- thirdly, upon payment in full of the preferential amounts to the preference shareholders, all remaining assets and funds of the Company shall be made available for distribution and upon completion of distribution, shall be further distributed rateably among the holders of preference shares and ordinary shares in proportion to the number of shares owned by each holder.

Redemption

Subject to satisfaction of the Redemption Conditions and applicable law, the Preference Shares may be redeemed, at the option of the Company and on such basis and for such reason as the company may determine to be appropriate, in whole or in part, on any Optional Redemption Date at the Redemption Price upon delivery of a Redemption Notice (delivered in accordance with the constitution of the Company).

Voting

The preference shares shall confer on the holder thereof the right to receive notice of, or to attend and vote at, all meetings of the Company and same voting rights as the holders of ordinary shares held.

(i) Where the preference shareholders are entitled to vote on any resolution, then, at the relevant general meetings, shall have one (1) vote for every preference share held. To the fullest extent permitted by law, the holders of preference shares and the holders of ordinary shares shall vote together as a single class at the same meeting. A separate class of meeting is not required unless required by applicable law.

(ii) without prior approval of at least 75 per cent of the preference shareholders, the Company shall not take the following actions:

  - dissolution, liquidation or winding up of the Company
  - any amendment of the constitution of the Company which would prejudice the rights of the preference shareholders
  - any variation to the rights of the preference shares

(iii) at least 66 2/3 per cent of preference shareholders may:

- exercise option of preference shareholders to direct the Company to redeem in whole, but not in part, all classes of Notes following the expiry of the Non-Call Period pursuant to the Conditions or give consent to the Collateral Manager to direct such redemption pursuant to the Conditions
- direct the Company to redeem in whole, but not in part, all classes of Notes following the occurrence of a Note Tax Event pursuant to the Conditions
- direct the Company on the application of the Account Balance in accordance with the Transaction Documents and the constitution of the Company
- remove the Collateral Manager for cause, and upon any removal or resignation of the Collateral Manager, propose or object to a successor, in each case in accordance with the terms of the Collateral Management and Administration Agreement
- terminate the appointment of the Transaction Administrator without cause or for cause, and approve a successor, in each case in accordance with the terms of the Collateral Management and Administration Agreement
- provide written consent to any proposed assignment or transfer of its material rights or delegation of its material responsibilities under the terms of the Collateral Management and Administration Agreement by Collateral Manager
- generally exercise any right to take any action which requires the approval or consent of or direction from at least 66 2/3 per cent of preference shareholders pursuant to the Conditions or the Transaction Documents

18 Net interest income

	Group	
	2023	**2022**
	US$'000	**US$'000**
Interest income under the effective interest method on:		
- Cash and cash equivalents	22,050	8,247
- Debt investments – at amortised cost	16,334	13,668
- Loans and advances - amortised cost	256,572	126,734
Total interest income arising from financial assets measured at amortised cost or FVOCI	**294,956**	**148,649**
Interest income from cross currency swaps used for hedging	1,740	139
Interest income received from financial assets at FVTPL:		
- Debt investments – mandatorily at FVTPL	–	1,431
Interest income	**296,696**	**150,219**
Loans and borrowings – at amortised cost	(142,419)	(68,420)
Interest expense from interest rate swaps and treasury locks used for hedging	(43,826)	(2,622)
Interest expense from lease liabilities	(105)	(15)
Interest expense	**(186,350)**	**(71,057)**
Net interest income	**110,346**	**79,162**

19 Fee and commission income (net)

		Group	
	Note	**2023**	**2022**
		US$'000	**US$'000**
Structuring fees		225	-
Other fee income		273	1,412

Guarantee fee	12	(4,212)	(1,076)
		(3,714)	**336**

Structuring fee

Nature of goods or services	Structuring fee income generally relates to loan structuring and origination services performed by the Group in its ordinary course of business operations.
When revenue is recognised	The fee income is recognised when all performance obligations in relation to the fee income has been satisfied.
Significant payment terms	The fee is receivable when contractually due for payment.

Other fee income

Nature of goods or services	The fee income generally relates to other services performed by the Group in its ordinary course of business operations.
When revenue is recognised	The fee income is recognised when all performance obligations in relation to the fee income has been satisfied.
Significant payment terms	The fee is receivable when contractually due for payment.

20 Other income

	Note	**Group 2023 US$'000**	**Group 2022 US$'000**
Service fee income from a joint venture		1,878	1,829
Service fee income from a third party		1,200	1,700
Government grant		489	321
(Loss)/Gain on disposal of financial assets		(174)	3,047
(Loss) on disposal of joint venture	10	(3,741)	-
Interest income from limited partners of equity-accounted investees		-	358
Others		1,520	94
		1,172	**7,349**

Government grant relates to Job Support Scheme and Job Growth Incentive provided by the local government as wage support to help employers retain local employees during the year of uncertainty arising from COVID-19, as well as Financial Sector Development Fund ("FSDF") Grant and Digital Acceleration Grant ("DAG"). DAG supports financial institutions to adopt digital solutions to improve productivity, strengthen operational resilience, manage risks better, and serve customers better.

21 Profit before tax

The following items have been included in arriving at profit before tax:

	Group 2023 US$'000	**Group 2022 US$'000**

Salaries, bonuses and other staff costs	27,137	21,600
Contributions to defined contribution plans	1,011	851
Depreciation and amortisation	1,678	1,802
Net foreign exchange loss	139	276

22 Income tax (credit)/expense

	Group	
	2023	**2022**
	US$'000	**US$'000**
Tax recognised in profit or loss		
Current tax expense		
Current year	9,174	1,750
Changes in estimates related to prior years	(312)	335
	8,862	**2,085**
Deferred tax expenses		
Origination and reversal of temporary differences	413	(2,824)
	413	**(2,824)**
	9,275	**(739)**

Reconciliation of effective tax rate

	Group	
	2023	**2022**
	US$'000	**US$'000**
Profit before tax	67,554	40,681
Tax using Singapore tax rate of 17% (2022: 17%)	11,484	6,916
Effects of results of equity-accounted investees presented net of tax	(1,317)	(348)
Non-deductible expenses	3,228	(5)
Tax exempt income	(3,750)	(7,482)
Tax incentives	(52)	(71)
Changes in estimates related to prior years	(312)	335
Recognition of tax effect of previously unrecognised tax losses	(6)	(84)
	9,275	**(739)**

Tax expense excludes the Group's share of the tax expense of equity-accounted investees. No tax expense has been included in 'share of profit of equity-accounted investees, net of tax' in the consolidated statement of profit or loss.

Clifford Capital Pte. Ltd. was awarded the Pioneer Incentive – Services for a period of 10 years commencing from 1 January 2013 to 31 December 2022. Under the terms of the tax incentive granted, qualifying income derived from qualifying activities is exempted from corporate income tax in Singapore, subject to the Company satisfying certain terms and conditions. The pioneer incentive has since ended on 1 January 2023.

Bayfront Infrastructure Management Pte. Ltd. Bayfront Infrastructure Capital II Pte. Ltd. And Bayfront Infrastructure Capital III Pte Ltd are approved under MAS Enhanced-Tier Fund Tax Incentive under Section 13X of the Income Tax Act on 3 April 2020,6 May 2021 and August 2022 respectively and further submission has been made for admission of Bayfront Infrastructure Capital IV Pte. Ltd. under the same scheme on 15 August 2023. Under the terms of the incentive granted, qualifying income derived from qualifying activities is exempted under corporate income tax in Singapore, subject to the Company satisfying certain terms and conditions. The admission for Bayfront Infrastructure Capital IV Pte. Ltd. to the incentive scheme is currently pending approval by MAS as at the date of financial statement.

23 Derivative financial instruments

The table below sets out the notional principal amounts and the positive and negative fair value of the Group's outstanding derivative financial instruments at the reporting date.

Group	**Notional principal amount US$'000**	**Positive fair value US$'000**	**Negative fair value US$'000**
31 December 2023			
Interest rate swaps used for fair value hedge	1,933,977	4,273	57,679
Cross currency swaps used for fair value hedge	272,895	7,100	5,704
Forward rate currency swaps	31,224	-	853
Foreign exchange forwards	12,558	17	216
Equity warrants	562	-	-
	2,251,216	**11,390**	**64,452**
31 December 2022			
Interest rate swaps used for fair value hedge	1,174,617	2,496	76,482
Cross currency swaps used for fair value hedge	70,170	1,485	219
Foreign exchange forwards	1,280	28	37
	1,246,067	**4,009**	**76,738**

During the financial year ended 31 December 2023, the Group was allotted 4,675 equity warrants as part of a financial restructuring of a borrower. The equity warrants allow the Group to acquire equity shares at a stipulated exercise price after a certain time period.

24 Leases

Leases as lessee

The Group leases its office premises. The lease typically run for a period of 5 years, with an option to renew the lease after that date. Lease payments are renegotiated every 3 years to reflect market rentals.

The Group leases IT equipment with a contract term of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased office premises that do not meet the definition of investment property are presented as property, plant and equipment.

Group	**Office premises and equipment US$'000**
At 1 January 2022	596
Additions to right-of-use assets	2,496
Depreciation charge for the year	(657)
At 31 December 2022	**2,435**

Group	**Office premises and equipment US$'000**
At 1 January 2023	2,435
Additions to right-of-use assets	-
Depreciation charge for the year	(835)
At 31 December 2023	**1,600**

Amounts recognised in profit or loss

	Office premises and equipment	
Group	**2023 US$'000**	**2022 US$'000**
Interest on lease liabilities	105	15
Expenses relating to leases of low-value assets	116	101

Amounts recognised in statement of cash flows

	Office premises and equipment	
Group	**2023 US$'000**	**2022 US$'000**
Total cash outflow for leases	909	681

25 Related parties

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Senior management charged with such authority and responsibility, as well as directors of the Group, are considered key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2023 US$'000	**2022 US$'000**

Directors' fees	1,016	975
Salaries, bonuses and other staff costs	12,265	5,586
Contributions to defined contribution plans	146	38
Other long-term benefits	2,192	2,527
	15,619	**9,126**

Other related party transactions

	Balance outstanding as at 31 December	
	2023	**2022**
Group	**US$'000**	**US$'000**
Debt investments	96,941	86,118
Loans and advances	265,315	371,340
Interest receivable	2,225	1,721
Deferred income	365	2,392
Service fee income receivable from a joint venture	-	98
Company		
Service fee refund receivable from a subsidiary	324	-
Service fee payable to a subsidiary	-	(509)

	Transaction value for the year ended	
	2023	**2022**
Group	**US$'000**	**US$'000**
Interest income	32,166	20,584
Other fee income	1,921	1,720
Service fee income from a joint venture	1,878	1,829

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within 1 month of the reporting date. None of the balances are secured.

During the financial year ended 31 December 2022, a number of loans were acquired from a related entity which a subsidiary of the Group acts as a sponsor and collateral manager for a total consideration of US$217,239,000.

26 Commitments

Loan commitments

Undrawn loan commitments comprise contractual obligations to provide credit facilities to customers for a fixed period. At 31 December 2023, the Group had undrawn loan commitments amounting to US$664,187,115 (2022: US$468,133,982).

Capital commitments

Pursuant to the Second Amended and Restated Limited Partnership Agreement between the Limited Partners and General Partner of Keppel-Pierfront Private Credit Fund, LP dated 15 November 2021, the Company has outstanding capital commitments with respect to Keppel-Pierfront Private Credit Fund, LP interests of US$27,461,041 (2022: US$56,682,750).

27 Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments
- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The Risk Committee reports regularly to the Board on its activities and is subject to the overall supervision of the Board.

The Risk Committee has the delegated authority from the Board to approve any portfolio acquisition or any single transaction related to the Group's lending, investments, divestments, participation in tenders and bids and to approve any relevant foreign exchange or interest rate transactions for hedging or mitigating market risk at a portfolio level up to limits approved by the Board. The Risk Committee also reviews overall portfolio performance periodically.

In addition, a management level Credit Committee was established to approve lending commitments and divestments up to pre-set limits as delegated by the Risk Committee, such limits being set to enable the Credit Committee to approve loan transactions in the ordinary course of business.

The Group's Risk Framework, Policies and Processes ("RFPP"), which have been approved by the Risk Committee, were established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The RFPP is reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Chairman of the Board and Risk Committee will review and approve all related party transactions according to the Group's Related Party Transactions Approval Framework.

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from debt investments and loans and advances.

The Group has robust processes in place to assess the credit risk of new loans and investments and actively monitors exposure to credit risk on an on-going basis. Cash is placed with regulated financial institutions with a high credit rating.

The carrying amounts of financial assets represent the Group's and the Company's maximum exposures to credit risk.

Impairment losses on financial assets recognised in profit or loss were as follows:

Group	**2023 US$'000**	**2022 US$'000**
Impairment loss on debt investments at amortised cost	(3,423)	3,059
Impairment loss on loans and advances at amortised cost	9,052	10,552
	5,629	**13,611**

Investments and loans and advances

The Group's primary business is commercial lending and is thus exposed to credit risks from loans to and debt securities issued by corporate customers. The Group applies the Risk Committee's approved RFPP in the evaluation of all new investments, loans and advances. The internal credit rating methodologies are an integral part of the Group's RFPP and are used to determine the likelihood and size of losses arising from a loan default. These methodologies take into account many factors such as qualitative factors and financial metrics of the counterparty, country risk, legal enforceability, structural protection and security package in its credit risk assessment. These assessments are used in the decision-making process, credit approval, monitoring, reporting and internal assessment of the adequacy of impairment allowance. Credit risk is managed to achieve optimal risk-reward performance whilst maintaining exposures within acceptable risk appetite parameters.

The amount of allowance for impairment is inherently uncertain, being sensitive to changes in economic and credit conditions of the counterparties, their place of operations and the sectors in which they operate. It is possible that actual events may differ from the assumptions used in the rating and assessment methodologies and computation.

Exposure to credit risk

The Group reviews the credit concentration of debt investments and loans and advances based on industry sectors. For the financial year ended 31 December 2023, the industry classifications were updated to better reflect the underlying nature of the borrowers. Prior year comparatives have been restated for conform to current year's presentation.

The exposure to credit risk for debt investments and loans and advances at amortised cost at reporting date by industry sectors was at follows:

	Group			
	2023		**2022**	
	Carrying amount		**Carrying amount**	
	US$'000	**%**	**US$'000**	**%**
Core plus	194,966	5	188,296	6

Infrastructure	3,299,983	83	2,710,052	83
Maritime Industries	266,877	7	268,731	8
Natural Resources	142,878	4	94,980	3
Nature Based Solutions	29,683	1	-	0
	3,934,387	**100**	**3,262,059**	**100**

There is no concentration of credit risk at the Group and Company level.

Loss allowance

Debt investments and loans and advances at amortised cost and loans and advances at FVOCI are categorised as follows:

- Pass/Special mention: Pass refers to assets with timely repayment and do not exhibit any potential weakness in repayment capability, business, cash flow or financial position of the borrower. Special Mention includes assets with potential weakness, if not corrected on a timely basis, may adversely affect repayment by the borrower at a future date and warrant close attention.
- Substandard/Doubtful: Includes assets with definable weakness that may jeopardise repayment on existing terms. Specifically, it includes "Watchlist – Stressed" and Stage 3 assets.
- Loss: Refers to outstanding credit facility that is not collectable, and little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower generally.

The following tables provide information about the exposure to credit risk and ECLs for debt investments and loans and advances at amortised cost.

Group	Stage 1 US$'000	Stage 2 US$'000	Stage 3 US$'000	Total US$'000
2023				
Debt investments at amortised cost				
Pass/Special mention	295,476	-	-	295,476
Gross carrying amount	**295,476**	**-**	**-**	**295,476**
Impairment loss allowance	(1,625)	-	-	(1,625)
Carrying amount	**293,851**	**-**	**-**	**293,851**
Loans and advances at amortised cost				
Pass/Special mention	3,397,180	211,953	-	3,609,133
Substandard/Doubtful	-	-	82,060	82,060
Gross carrying amount	**3,397,180**	**211,953**	**82,060**	**3,691,193**
Impairment loss allowance	(11,596)	(7,979)	(31,082)	(50,657)
Carrying amount	**3,385,584**	**203,974**	**50,978**	**3,640,536**
Total carrying amount	**3,679,434**	**203,974**	**50,978**	**3,934,387**
2022				
Debt investments at amortised cost				
Pass/Special mention	185,503	89,858	-	275,361
Gross carrying amount	**185,503**	**89,858**	**-**	**275,361**
Impairment loss allowance	(1,307)	(3,741)	-	(5,048)
Carrying amount	**184,196**	**86,117**	**-**	**270,313**

Loans and advances at amortised cost				
Pass/Special mention	2,835,466	104,697	-	2,940,163
Substandard/Doubtful	-	-	93,316	93,316
Gross carrying amount	**2,835,466**	**104,697**	**93,316**	**3,033,479**
Impairment loss allowance	(12,035)	(1,583)	(28,115)	(41,733)
Carrying amount	**2,823,431**	**103,114**	**65,201**	**2,991,746**
Total carrying amount	**3,007,627**	**189,231**	**65,201**	**3,262,059**

Movements in allowance for impairment in respect of debt investments and loans and advances at amortised costs and loans and advances at FVOCI.

The following significant changes contributed to the changes in ECL balances during the financial year ended 2023:

- A downgrade of loans and advances from Stage 1 to Stage 2 resulted in an increase in lifetime ECL not credit-impaired.
- A prepayment of a Stage 2 investment resulted in a derecognition of lifetime ECL not credit-impaired.

Where appropriate, the Group makes adjustments to the ECL estimate in instances where unexpected major economic or political events could potentially occur.

The Group has included overlays, which are adjustments to the ECL model outputs that have been made outside the detailed ECL calculation and reporting process. The Group has internal governance frameworks and controls in place to assess the appropriateness of all judgemental adjustments.

As of 31 December 2023, the Group has incorporated a thematic overlay in view of the political unrest in a country. The overlay was calculated by stressing the entire portfolio to reflect ongoing economic deterioration towards a country event.

The following table presents an analysis of the credit quality of debt investments and loans and advances at amortised cost and loans and advances at FVOCI. It indicates whether assets measured at amortised cost or FVOCI were subject to a 12-month ECL or lifetime ECL allowance and, in latter case, whether they were credit impaired.

Group	**12-month ECL US$'000**	**Lifetime ECL not credit-impaired US$'000**	**Lifetime ECL credit impaired US$'000**	**Total US$'000**
2023				
Debt investments at amortised cost				
Balance as at 1 January	1,307	3,741	-	5,048
Net measurement of loss allowance	(678)	-	-	(678)
New financial assets originated or purchased	996	-	-	996
Financial assets that have been decognised	-	(3,741)		(3,741)
At 31 December	**1,625**	**-**	**-**	**1,625**

Loans and advances at amortised cost				
Balance as at 1 January	12,036	1,582	28,115	41,733
Net measurement of loss allowance	(4,390)	7,089	2,967	5,666
New financial assets originated or purchased	5,068	-	-	5,068
Financial assets that have been derecognised	(1,118)	(692)	-	(1,810)
At 31 December	**11,596**	**7,979**	**31,082**	**50,657**

2022				
Debt investments at amortised cost				
Balance as at 1 January	1,988	-	-	1,988
Net measurement of loss allowance	(1,192)	3,741	-	2,549
New financial assets originated or purchased	511	-	-	511
At 31 December	**1,307**	**3,741**	**-**	**5,048**

Group	**12-month ECL US$'000**	**Lifetime ECL not credit-impaired US$'000**	**Lifetime ECL credit impaired US$'000**	**Total US$'000**
2022				
Loans and advances at amortised cost				
Balance as at 1 January	6,310	1,821	67,918	76,049
Net measurement of loss allowance	1,608	(238)	5,065	6,435
New financial assets originated or purchased	4,117	-	-	4,117
Financial assets that have been derecognised	-	-	(44,868)	(44,868)
At 31 December	**12,035**	**1,583**	**28,115**	**41,733**

Derivatives

Derivatives are entered into with regulated bank and financial institution counterparties with a high credit rating. In addition, concentration risk to any one counterparty as well as the total exposure limits of the Group are considered before entering any derivative instrument.

Cash and cash equivalents

Cash and cash equivalents are placed with regulated financial institutions with high credit ratings.

Impairment on cash and cash equivalents has been measured on the 12 months expected loss basis and reflects the short maturities of the exposures. The Group considers its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities and contractual commitments to its customers and counterparties that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities and commitments when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's approach to managing liquidity risk is to maintain a diversified and flexible funding base and is currently funded from equity, bonds, commercial papers, infrastructure asset-backed securities and bank loans. Other than maintaining an adequate level of cash and cash equivalents to meet expected operational expenses and the servicing of financial obligations, the Group also maintains committed and uncommitted lines of credit with banks and financial institutions which serves as a counterbalancing capacity to meet any potential cash shortfalls.

The Group monitors and manages its funding requirement by projecting cashflows of both contractual and forecasted assets and liabilities. Any net funding requirement is identified and addressed by ensuring adequate liquidity sources are available to meet the forecasted cash flow shortfall.

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting arrangements:

Group	Carrying amount US$'000	Contractual cash flows US$'000	6 months or less US$'000	6-12 months US$'000	1-5 years US$'000	More than 5 years US$'000
2023						
Non-derivative financial liabilities						
Unsecured medium term notes	2,373,834	(2,704,016)	(36,637)	(336,637)	(2,120,017)	(210,725)
Unsecured commercial papers	185,267	(186,500)	(186,500)	-	-	-
Notes issued	982,393	(1,329,922)	(104,856)	(78,397)	(710,539)	(432,640)
Unsecured bank loans	164,591	(166,158)	(166,158)	-	-	-
Lease liabilities	1,682	(1,717)	(447)	(447)	(823)	-
Other liabilities	60,889	(60,889)	(60,777)	-	(86)	(26)
	3,768,656	**(4,449,202)**	**(555,375)**	**(415,481)**	**(2,831,465)**	**(643,391)**
Derivative financial instruments						
Interest rate swaps used for fair value hedge (net-settled)	55,732	(76,042)	(23,550)	(21,362)	(32,505)	1,375
Cross currency swaps used for fair value (net-settled)	5,704	3,582	365	754	3,000	(537)
Foreign exchange forwards	217	266	-	(33)	299	-

Group	Carrying amount US$'000	Contractual cash flows US$'000	6 months or less US$'000	6-12 months US$'000	1-5 years US$'000	More than 5 years US$'000
2023						
Forward rate currency swap	853	31,224	26,609	363	2,176	2,076
	62,506	**(40,970)**	**3,424**	**(20,278)**	**(27,030)**	**2,914**

Group	Carrying amount US$'000	Contractual cash flows US$'000	6 months or less US$'000	6-12 months US$'000	1-5 years US$'000	More than 5 years US$'000
2022						
Non-derivative financial liabilities						
Unsecured medium term notes	1,612,761	(1,896,378)	(20,328)	(20,328)	(1,333,972)	(521,750)
Unsecured commercial papers	402,828	(403,857)	(403,857)	-	-	-
Notes issued	690,327	(869,692)	(62,303)	(52,699)	(459,193)	(295,497)
Unsecured bank loans	417,952	(421,812)	(421,812)	-	-	-
Lease liabilities	2,471	(2,663)	(456)	(456)	(1,751)	-
Other liabilities	40,021	(40,021)	(39,566)	-	(455)	-
	3,166,360	**(3,634,423)**	**(948,322)**	**(73,483)**	**(1,795,371)**	**(817,247)**
Derivative financial instruments						
Interest rate swaps used for fair value hedge (net-settled)	76,482	(60,883)	(17,273)	(18,550)	(27,105)	2,045
Cross currency swaps used for fair value (net-settled)	219	(1,057)	306	101	(1,464)	-
Forward rate currency swap	36	(605)	(87)	(76)	(442)	-
	76,737	**(62,545)**	**(17,054)**	**(18,525)**	**(29,011)**	**2,045**

The maturity analyses show the contractual undiscounted cash flows of the Company financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed for derivative financial instruments relate to those instruments held for risk management purposes and which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled interest rate swaps contracts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group transacts in derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Committee. Generally the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

Foreign currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which income, expenses, receivables and borrowings, including inter-company transactions and balance, that are denominated in a currency other than the respective functional currencies of Group entities.

In assessing its exposure to foreign currency risk, the Group adopts a holistic approach, taking into account timing and size of the underlying exposure, including any natural economic hedge if the cash inflow in a foreign currency matches some of the cash flows used by the underlying operation of the Group. Exposure to currency risk is monitored on an ongoing basis and the Group's policy is to keep the net exposure to an acceptable level. In managing its exposure to foreign currency risk, the Group may use derivative instruments such as foreign currency forwards and currency swaps.

The functional currencies of Group entities are primarily the US dollar. The foreign currencies in which these transactions primarily are denominated are the Singapore dollar ("SGD"), Australian dollar ("AUD") and Euro ("EUR").

The Group does not have significant exposure to foreign currency risk as at the reporting date.

Interest rate risk

Interest rate risk is the impact to earnings and economic value of the Group due to fluctuations in interest rates. Interest rate exposure may arise from mismatches in the maturity profile or the benchmark rates of the Group's interest bearing assets and liabilities. The Group adopts a portfolio approach in evaluating and managing its interest rate risk under its Strategic Asset Liability Management Framework which has been approved by the Board. This framework sets out the measurement methods and the risk tolerance limits. In managing its interest rate exposure, the Group may use various methods and instruments, including derivatives such as interest rate swaps and treasury locks, to mitigate its interest rate risk. Exposure to interest rate risks are monitored on an ongoing basis and regularly reported to the Risk Committee and the Board to ensure consistency with the Group's risk appetite.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- differences in repricing dates between the swaps and the borrowings.

Hedging relationships that are impacted by interest rate benchmark reform may experience ineffectiveness because of uncertainty about when and how replacement may occur for the relevant hedged item and hedging instrument due to the interest rate benchmark reform transition.

Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (“IBORs”) with alternative nearly risk-free rates (referred to as “interest rate benchmark reform”). The Group has exposure to certain IBORs on its financial instruments that are being reformed as part of these market-wide initiatives.

The main risks to which the Group has been exposed as a result of interest rate benchmark reform are operational. For example, the renegotiation of contracts through bilateral negotiation with customers and counterparty banks, updating of contractual terms, updating of systems that use IBOR curves and revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.
A cross-functional IBOR working group has been established at the Company to manage the transition to alternative rates for its subsidiaries and equity-accounted investees. The objective of the IBOR working group includes evaluating the extent to which loans and advances, loan commitments, liabilities and derivatives reference IBOR cash flows, whether such contracts need to be amended as a result of interest rate benchmark reform and how to manage communication about interest rate benchmark reform with counterparties. The IBOR working group reports to the Group Exco and Risk Committee and collaborates with other business functions as and when needed, providing reports to support the management of interest rate risk and to identify operational risks arising from interest rate benchmark reform.

For contracts indexed to an IBOR that mature after the expected cessation of the IBOR rate, the IBOR working group has established procedures to amend the contractual terms, including the addition of fallback clauses or replacement of the IBOR rate with an alternative benchmark rate.

The Group monitors the progress of transition from IBORs to a new benchmark rates by reviewing the total amounts of contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate (and referred to as an “unreformed contract”) when interest under the contract is indexed to a benchmark rate that is still subject to interest rate benchmark reform, even if it includes a fall back clause that deals with the cessation of the existing IBOR.

There are contracts that for various reasons the Group is unable to reform either by directly changing the IBOR rate or by inserting a fallback clause. For the purposes of practical continuance of such contracts after the relevant IBOR ceases to become representative, the Financial Conduct Authority has been granted the power under UK law to direct a change in the calculation methodology of LIBOR and to extend its publication for a limited time. This “synthetic” LIBOR will be used by the Company for these contracts. The following table shows the total amounts of unreformed floating rate financial assets and liabilities, and derivatives with exposure to synthetic LIBOR.

Group	**2023 US$’000**	**2022 US$’000**
Variable rate instruments		
Non-derivative financial assets	284,583	2,179,799
Non-derivative financial liabilities	-	(319,796)
Undrawn loan commitments	-	421,091
Derivatives (notional)		
Hedging derivatives	-	974,617

Exposure to interest rate risk

At the reporting date, the interest rate profile of interest-bearing financial instruments, was as follows:

	Notional amount			
	Group		**Company**	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Fixed rate instruments				
Financial assets	819,005	1,040,612	20,000	31,200
Financial liabilities	(2,462,367)	(1,971,071)	-	-
Effect of Interest rate swaps	1,752,127	(24,617)	-	-
	108,765	**(955,076)**	**20,000**	**31,200**
Variable rate instruments				
Financial assets	3,500,731	2,736,594	918	500
Financial liabilities	(1,301,271)	(1,035,050)	-	-
Effect of Interest rate swaps	(1,752,127)	1,174,617	-	-
Cross currency swaps	212,216	70,170	-	-
	659,549	**2,946,331**	**918**	**500**

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	2023				2023				During the Period - 2023	
	Nominal amount $'000	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Line item in the statement of financial position where the hedging instrument is included**	**Carrying amount of hedged item recognised in the statement of financial position $'000**	**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of hedged item recognised in the statement of financial position $'000**	**Line item in the statement of financial position where the hedged item is included**	**Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness $'000**	**Hedge ineffectiveness recognised in profit or loss $'000**	**Line item in profit or loss that includes hedge ineffectiveness**
Interest rate risk										
Interest rate swaps – Fixed rate bond issuances	1,150,000	-	51,857	Derivative Financial Liabilities	(1,247,552)	51,580	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate bond issuances	143,052	2,326	-	Derivative Financial Assets	(145,106)	(2,326)	Loans and borrowings	-	-	Other income
Interest rate swaps – Bonds	19,000	79	-	Derivative Financial Assets	16,528	(79)	Bonds	-	-	Other income
Interest rate swaps – ECP	100,000	-	(26)	Derivative Financial Liabilities	(99,161)	26	Loans and Borrowings	-	-	Other income
Interest rate swaps – Fixed rate loans and advances	21,925	1,868	-	Derivative Financial Asset	18,917	(1,868)	Loans and Advances	-	-	Other income
Interest rate swaps – Medium term notes	500,000	-	(5,796)	Derivative Financial Liabilities	(493,867)	5,796	Loans and Borrowings	-	-	Other income
Foreign currency risk										
Cross currency swaps - foreign currency denominated loans and advances	56,805	-	2,835	Derivative Financial Liabilities	58,272	2,835	Investments	-	-	Other income
Cross currency swaps - foreign currency denominated loans and advances	55,259	-	1,721	Derivative Financial Liabilities	57,624	1,721	Loans and advances	-	-	Other income

Cross currency swaps - foreign currency denominated bond issuances	90,160	7,100	-	Derivative Financial Assets	(97,260)	(7,100)	Loans and borrowings	-	-	Other income
Cross currency swaps – loans and advances	30,200	-	(891)	Derivative Financial Liabilities	31,059	891	Loans and Advances	-	-	-

	2022				2022				During the Period - 2022	
	Nominal amount $'000	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Line item in the statement of financial position where the hedging instrument is included**	**Carrying amount of hedged item recognised in the statement of financial position $'000**	**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of hedged item recognised in the statement of financial position $'000**	**Line item in the statement of financial position where the hedged item is included**	**Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness $'000**	**Hedge ineffectiveness recognised in profit or loss $'000**	**Line item in profit or loss that includes hedge ineffectiveness**
Interest rate risk										
Interest rate swaps – Fixed rate bond issuances	1,150,000	-	76,482	Derivative Financial Liabilities	(1,222,645)	76,482	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate loans and advances	24,617	2,496	-	Derivative Financial Asset	21,690	(2,496)	Loans and advances	-	-	-
Foreign currency risk										
Cross currency swaps - foreign currency denominated loans and advances	32,702	1,485	-	Derivative Financial Assets	30,971	(1,485)	Loans and advances	-	-	Other income
Cross currency swaps - foreign currency denominated loans and advances	37,468	-	219	Derivative Financial Liabilities	37,057	219	Loans and advances	-	-	Other income

Fair value sensitivity analysis for fixed rate instruments

The Group designates a portion of its fixed rate financial liabilities as a hedged item and accounts for them at FVTPL, and the Group designates the corresponding derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not have a material impact to profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
Group	**100 bp increase US$'000**	**100 bp decrease US$'000**
31 December 2023		
Variable rate instruments	6,595	(6,595)
31 December 2022		
Variable rate instruments	6,463	(6,463)
Company		
31 December 2023		
Variable rate instruments	9	(9)
31 December 2022		
Variable rate instruments	5	(5)

Master netting or similar agreements

The Group enters into derivative transactions under ISDA master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances – e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

Group	Note	Gross amounts of recognised financial instruments US$'000	Gross amounts of recognised financial instruments offset in the statement of financial position US$'000	Net amounts of financial instruments included in the statement of financial position US$'000	Related financial instruments that are not offset US$'000	Net amount US$'000
31 December 2023						
Derivative financial instruments						
Interest rate swaps used for hedging	23	4,273	-	4,273	-	4,273
Cross currency swaps used for hedging	23	7,100	-	7,100	-	7,100
Foreign exchange forwards	23	17	-	17	-	17
Interest rate swaps used for hedging	23	(57,680)	-	(57,680)	-	(57,680)
Cross currency swaps used for hedging	23	(5,704)	-	(5,704)	-	(5,704)
Foreign exchange forwards	23	(1,068)	-	(1,068)	-	(1,068)
31 December 2022						
Derivative financial instruments						
Interest rate swaps used for hedging	23	2,496	-	2,496	-	2,496
Cross currency swaps used for hedging	23	1,486	-	1,486	-	1,486
Foreign exchange forwards	23	28	-	28	-	28
Interest rate swaps used for hedging	23	(76,482)	-	(76,482)	-	(76,482)
Cross currency swaps used for hedging	23	(219)	-	(219)	-	(219)
Foreign exchange forwards	23	(37)	-	(37)	-	(37)

Hedge accounting

Fair value hedges

The Group held the following interest rate swaps as hedging instruments in fair value hedges to hedge exposures to changes in interest rates.

Group	**Maturity** 6-12 months	**Maturity** More than 1 year
31 December 2023		
Hedge of bond issuances		
Nominal amount (US$'000)	(5,444)	(46,413)
Average fixed interest rate	1.73%	2.65%

Group	**Maturity** 6-12 months	**Maturity** More than 1 year
31 December 2022		
Nominal amount (US$'000)	-	(76,482)
Average fixed interest rate	-	2.24%

The interest rate swap hedges relate to unsecured medium term notes designated as hedged items of carrying amount of US$1,309,604,000 (2022: US$1,222,645,000).

The Group held the following instruments to hedge exposures to changes in foreign currency and interest rates.

Group	**Maturity** More than 1 year
31 December 2023	
Cross currency swaps	
Net exposure (US$'000)	7,100
AUD/USD swap rate	0.6440
Net exposure (US$'000)	(3,319)
SGD/USD swap rate	1.3533 – 1.3569
Net exposure (US$'000)	(1,237)
EUR/USD swap rate	1.0616
31 December 2022	
Cross currency swaps	
Net exposure (US$'000)	(219)
AUD/USD swap rate	0.7106
Net exposure (US$'000)	1,485
EUR/USD swap rate	1.0616

The cross currency swap hedges relate to loans and advances, investments, and loans and borrowings designated as hedged items of carrying amount of US$47,973,000, US$58,272,000 and US$97,260,000 respectively (2022: US$68,027,000, Nil and Nil).

Capital management

The Group's capital management objectives are to maintain an optimal capital structure that supports the Group's business growth, safeguard itself against adverse situations and delivers sustainable returns to shareholders. Capital consists of share capital and accumulated profits. The Board maintains an oversight of the capital management process by periodically reviewing the Group's capital allocation, gearing, liquidity and funding sources to enhance shareholder's returns while ensuring that the Group's liquidity requirements and financial covenants in connection with its borrowings are met at all times. Ongoing reporting on capital position is provided to the Board.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

28 Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value		
Group	**Fair value – hedging instruments US$'000**	**Financial assets at amortised cost US$'000**	**Other financial liabilities US$'000**	**Total carrying amount US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**
31 December 2023							
Financial assets							
Cash and cash equivalents	-	494,441	-	494,441	-	-	-
Debt investments	-	293,851	-	293,851	17,439	271,015	-
Loans and advances	-	3,640,536	-	3,640,536	-	-	3,984,819
Derivative financial assets	11,390	-	-	11,390	-	11,390	-
Other assets *	-	68,339	-	68,339	-	-	-
	11,390	**4,497,167**	**-**	**4,508,557**			
Financial liabilities							
Loans and borrowings	-	-	3,706,085	3,706,085		1,844,621	38,990
Lease liabilities	-	-	1,682	1,682	-	-	-
Derivative financial liabilities	64,452	-	-	64,452	-	64,452	-
Other liabilities *	-	-	60,889	60,889	-	-	-
Provisions	-	-	6,582	6,582	-	-	-
	64,452	**-**	**3,775,238**	**3,839,690**			

* *Non-financial assets and liabilities have been excluded from these balances.*

Group	Carrying amount: Fair value – hedging instruments US$'000	Carrying amount: Financial assets at amortised cost US$'000	Carrying amount: Other financial liabilities US$'000	Carrying amount: Total carrying amount US$'000	Fair value: Level 1 US$'000	Fair value: Level 2 US$'000	Fair value: Level 3 US$'000
31 December 2022							
Financial assets							
Cash and cash equivalents	-	551,680	-	551,680	-	-	-
Debt investments	-	270,313	-	270,313	-	250,695	-
Loans and advances	-	2,991,746	-	2,991,746	-	-	3,081,555
Derivative financial assets	4,009	-	-	4,009	-	4,009	-
Other assets *	-	34,039	-	34,039	-	-	-
	4,009	**3,847,778**	**-**	**3,851,787**			
Financial liabilities							
Unsecured medium term notes	-	-	3,123,868	3,123,868	-	1,574,036	1,516,214
Lease liabilities	-	-	2,471	2,471	-	-	-
Derivative financial liabilities	76,738	-	-	76,738	-	76,738	-
Other liabilities *	-	-	40,021	40,021	-	-	-
Provisions	-	-	5,727	5,727	-	-	-
	76,738	**-**	**3,172,087**	**3,248,825**			

* *Non-financial assets and liabilities have been excluded from these balances.*

	Carrying amount					Fair value		
Company	**Mandatorily at FVTPL US$'000**	**Fair value – hedging instruments US$'000**	**Financial assets at amortised cost US$'000**	**Other financial liabilities US$'000**	**Total carrying amount US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**
31 December 2023								
Financial assets								
Cash and cash equivalents	-	-	20,919	-	20,919	-	-	-
Other assets	-	-	366	-	366	-	-	-
	-	-	21,285	-	21,285			
Financial liabilities								
Other liabilities	-	-	-	88	88			
31 December 2022								
Financial assets								
Cash and cash equivalents	-	-	31,700	-	31,700	-	-	-
Other assets	-	-	366	-	366	-	-	-
	-	**-**	**32,066**	**-**	**32,066**			
Financial liabilities								
Other liabilities	-	-	-	536	536	-	-	-

Measurement of fair values

Financial assets and financial liabilities not carried at fair value but for which fair values are disclosed

For loans and advances, fair values are estimated using discounted cash flow method.

For bank loans and commercial papers, the basis of arriving at fair values is by discounting cash flows using the relevant market interest rates for the respective currencies.

For investment debt securities and unsecured medium term notes issued, fair values are determined based on independent market quotes, where available. Where market prices are not available, fair values are estimated using discounted cash flow method.

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

	Group US$'000
At 1 January 2022	47,407
Purchases	-
Total unrealised gains recognised in profit or loss	-
Reclassification of financial assets	-
Redeemed during the year	(47,407)
At 31 December 2022	**-**
At 1 January 2023	-
Purchases	
Total unrealised gains recognised in profit or loss	-
Reclassification of financial assets	-
Redeemed during the year	-
At 31 December 2023	**-**

Valuation techniques and significant unobservable inputs

For level 3 instruments with a significant unobservable input of yield to maturity and cost to income ratio, an increase in the significant unobservable input would decrease the fair value.

The following table provide the representative range of minimum and maximum values of each significant unobservable input for level 3 assets by the related valuation technique most significant to the related financial instrument.

Classification	Fair value US$'000	Valuation technique	Unobservable input	Change in input	Min value US$'000	Max value US$'000
Group						
31 December 2023						
Loans and advances	2,034,058	Income approach	Implied yield to maturity	+/- 2%	1,879,016	2,209,095
Loans and advances	1,950,761	Discounted cash flow approach	Base rate	+/- 2%	1,836,864	2,081,917
Loans and advances at FVOCI	888,188	Discounted cash flow approach	Base rate	+/- 2%	859,214	920,886

Classification	Fair value US$'000	Valuation technique	Unobservable input	Change in input	Min value US$'000	Max value US$'000
Group						
31 December 2022						
Loans and advances	1,743,191	Income approach	Implied yield to maturity	+/- 1%	1,738,209	1,750,744
Loans and advances	1,338,364	Discounted cash flow approach	Cost to income ratio	+/- 2%	1,336,105	1,340,622
Loan and advances	606,340	Discounted cash flow approach	Cost to income ratio	+/- 2%	605,323	607,357

Yield to maturity (issue spread)

For financial instruments where issue spread is the significant unobservable input, the issue spread is determined by taking into account the comparable bonds and the investment at issue date. The issue spread considers liquidity, credit rating and maturity date mismatches. At each subsequent valuation date, adjustments will be made to reflect any variation in comparable bonds market yields and any material improvement or deterioration of the operating performance of the assets compared to its selected peers.

Cost to income ratio

For financial instruments where cost to income ratio is the significant unobservable input, the ratio is determined by taking into account the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

The fair valuation is determined via discounting at risk free rate of future risk adjusted cashflow or economic profit. It considers credit spread and interest rate risk of the assets. At each subsequent valuation date, adjustments will be made to reflect any variation in market data and any improvement or deterioration of the assets.

29 Non-current assets and liabilities

Assets and liabilities other than those disclosed below are current:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Assets				
Investments	293,851	270,313	-	-
Loans and advances	3,572,568	2,954,927	-	-
Deferred tax assets	2,649	3,062	-	-
Subsidiaries	-	-	494,903	480,903
Associates and joint ventures	91,229	63,738	82,080	58,011
Other assets	9,924	1,956	-	-
Property, plant and equipment and intangible assets	2,816	4,193	-	-
	3,973,037	**3,298,189**	**576,983**	**538,914**
Liabilities				
Loans and borrowings	3,062,535	2,304,752	-	-
Other liabilities	53,304	77,723	-	-
Provisions	4,813	3,324	-	-
Net asset attributable to preference shareholder to BIC II	11,106	-	-	-
	3,131,758	**2,385,799**	**-**	**-**

30 Net assets attributable to BIC II Preference Shareholder

	2023 US$'000	2022 US$'000
Net assets attributable to BIC II Preference Shareholder at the beginning of reporting year	–	–
Preference shares in BIC II acquired during the year	10,000	–
Share of Accumulated profits	1,006	–
Share of dividends paid during the year	(181)	–
Share of profit for the year/ Total comprehensive income for the year	281	–
Net assets attributable to BIC II Preference Shareholder at the end of year	11,106	–

**Clifford Capital Holdings Pte. Ltd.
and its subsidiaries**

Registration Number: 201937096E

Annual Report
Year ended 31 December 2022

Directors' statement

We are pleased to submit this annual report to the members of Clifford Capital Holdings Pte. Ltd. ("Company") together with the audited financial statements for the financial year ended 31 December 2022.

In our opinion:

(a) the financial statements set out on pages FS1 to FS70 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs"); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Sanjiv Misra (Chairman)	
Loh Khum Yean	
Rajeev Veeravalli Kannan	
Patrick Lee Fook Yau	
Teo Swee Lian	
Elbert Jacobus Pattijn	
Lee Chuan Teck	
Jackie Surtani	(Appointed on 16 September 2022)
Park Kyung-Ah	
Clive Rowland Kerner	
Guy Daniel Harvey Samuel	

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), no director who held office at the end of the financial year (including those held by their spouses and children) had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, date of appointment if later, or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share options

During the financial year, there were:

(a) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(b) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept appointment.

On behalf of the Board of Directors

Sanjiv Misra
Director

Clive Rowland Kerner
Director

24 March 2023

KPMG LLP
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Singapore 018961

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Independent auditors' report

Members of the Company
Clifford Capital Holdings Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Clifford Capital Holdings Pte. Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS70.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the 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 '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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 the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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, SFRS(I)s and IFRSs, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 controls 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 Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
24 March 2023

Statements of financial position
As at 31 December 2022

	Note	Group		Company	
		2022 US$'000	**2021 US$'000**	**2022 US$'000**	**2021 US$'000**
Assets					
Cash and cash equivalents	4	551,680	479,007	31,700	30,225
Investments	5	270,313	324,398	-	-
Loans and advances	6	2,991,746	2,348,820	-	-
Derivative financial assets	23	4,009	23,515	-	-
Other assets	7	35,274	18,523	366	197
Deferred tax assets	8	3,062	238	-	-
Subsidiaries	9	-	-	480,903	449,403
Equity accounted investees	10	63,738	58,913	58,011	50,491
Property, plant and equipment and intangible assets	11	4,193	2,472	-	-
Total assets		**3,924,015**	**3,255,886**	**570,980**	**530,316**
Liabilities					
Loans and borrowings	12	3,126,339	2,621,381	-	-
Provisions	13	5,727	5,351	-	-
Current tax liabilities		2,236	581	750	-
Derivative financial liabilities	23	76,738	9,463	-	-
Other liabilities	14	43,161	27,992	536	92
Total liabilities		**3,254,201**	**2,664,768**	**1,286**	**92**
Equity					
Share capital	15	552,736	521,236	552,736	521,236
Reserves	16	(109,863)	(109,609)	3,443	3,443
Retained earnings		177,172	145,071	13,515	5,545
Equity attributable to owners of the Company		**620,045**	**556,698**	**569,694**	**530,224**
Non-controlling interests	17	**49,769**	**34,420**	**-**	**-**
Total equity		**669,814**	**591,118**	**569,694**	**530,224**
Total liabilities and equity		**3,924,015**	**3,255,886**	**570,980**	**530,316**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of profit or loss and other comprehensive income
Year ended 31 December 2022

	Note	Group 2022 US$'000	Group 2021 US$'000
Interest income	18	150,080	90,174
Interest expense	18	(70,918)	(26,522)
Net interest income		**79,162**	**63,652**
Fee and commission income (net)	19	336	3,405
Other income	20	7,349	10,728
Non-interest income		**7,685**	**14,133**
Net operating income		**86,847**	**77,785**
Staff costs	21	(22,451)	(21,382)
Depreciation and amortisation of property, plant and equipment and intangible assets	11	(1,802)	(1,624)
Other operating expenses		(10,348)	(8,172)
Total operating expenses		**(34,601)**	**(31,178)**
Impairment loss on financial assets	27	(13,611)	(11,092)
Share of profit of equity-accounted investees (net of tax)	10	2,046	2,495
Profit before tax	21	**40,681**	**38,010**
Income tax credit/(expense)	22	739	(292)
Profit for the year		**41,420**	**37,718**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Changes in fair value of cash flow hedges reclassified to profit or loss		(254)	(30)
Changes in fair value of loans and advances		-	(8,366)
Total items that are or may be reclassified to profit or loss		**(254)**	**(8,396)**
Other comprehensive income for the year, net of tax		**(254)**	**(8,396)**
Total comprehensive income for the year		**41,166**	**29,322**
Profit attributable to:			
Owners of the Company		39,571	37,350
Non-controlling interests	17	1,849	368
Profit for the year		**41,420**	**37,718**
Total comprehensive income attributable to:			
Owners of the Company		39,317	31,464
Non-controlling interests	17	1,849	(2,142)
Total comprehensive income for the year		**41,166**	**29,322**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity
Year ended 31 December 2022

	Share capital US$'000	Cash flow hedge reserve US$'000	Fair value reserve US$'000	Merger reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2021	**503,736**	**881**	**5,856**	**(110,460)**	**107,721**	**507,734**	**29,062**	**536,796**
Profit for the year		**-**	**-**	**-**	**37,350**	**37,350**	**368**	**37,718**
Other comprehensive income								
Changes in fair value of cash flow hedges	-	(30)	-	-	-	(30)	-	(30)
Reclassification of financial assets	-	-	(5,856)			(5,856)	(2,510)	(8,366)
Total comprehensive income for the year	**-**	**(30)**	**(5,856)**	**-**	**37,350**	**31,464**	**(2,142)**	**29,322**
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Issue of ordinary shares	17,500	-	-	-	-	17,500	-	17,500
Issue of preference shares by a subsidiary	-	-	-	-	-	-	7,500	7,500
Total transactions with owners	**17,500**	**-**	**-**	**-**	**-**	**17,500**	**7,500**	**25,000**
At 31 December 2021	**521,236**	**851**	**-**	**(110,460)**	**145,071**	**556,698**	**34,420**	**591,118**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity (cont'd)
Year ended 31 December 2022

	Share capital US$'000	Cash flow hedge reserve US$'000	Fair value reserve US$'000	Merger reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2022	**521,236**	**851**	**-**	**(110,460)**	**145,071**	**556,698**	**34,420**	**591,118**
Profit for the year	**-**	**-**	**-**	**-**	**39,571**	**39,571**	**1,849**	**41,420**
Other comprehensive income								
Changes in fair value of cash flow hedges	-	(254)	-	-	-	(254)	-	(254)
Total comprehensive income for the year		**(254)**			**39,571**	**39,317**	**1,849**	**41,166**
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividends paid	-	-	-	-	(7,470)	(7,470)	-	(7,470)
Issue of ordinary shares	31,500	-	-	-	-	31,500	-	31,500
Issue of preference shares by a subsidiary	-	-	-	-	-	-	13,500	13,500
Total transactions with owners	**31,500**	**-**	**-**	**-**	**(7,470)**	**24,030**	**13,500**	**37,530**
At 31 December 2022	**552,736**	**597**	**-**	**(110,460)**	**177,172**	**620,045**	**49,769**	**669,814**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows
Year ended 31 December 2022

	Note	Group 2022 US$'000	Group 2021 US$'000
Cash flows from operating activities			
Profit before income tax		40,681	38,010
Adjustments for:			
Depreciation and amortisation	11	1,802	1,624
Gain on sale of financial assets	20	(3,047)	(7,275)
Fair value gain on financial assets mandatorily at fair value through profit or loss	20	-	(192)
Net allowance for impairment on investments	27	3,059	207
Net allowance for impairment on loans and advances	27	10,552	10,885
Employee benefits and restoration provisions	13	2,543	1,752
Share of profit of equity-accounted investees (net of tax)	10	(2,046)	(2,495)
Interest income	18	(150,080)	(90,174)
Interest expense	18	70,918	26,522
		(25,618)	(21,136)
Changes in:			
- Investments		50,966	127,207
- loans and advances		(643,524)	(457,395)
- other assets		(25,264)	(51,578)
- other liabilities and provisions		(11,998)	40,561
Cash used in operations		**(655,438)**	**(362,341)**
Interest income received		152,149	95,834
Interest expense paid		(52,252)	(24,801)
Income tax paid		(429)	(360)
Net cash used in operating activities		**(555,970)**	**(291,668)**
Cash flows from investing activities			
Additional capital contribution in equity-accounted investees	10	(23,657)	(800)
Dilution of interests in equity-accounted investees	10	16,138	26,485
Dividends from equity-accounted investees	10	4,740	477
Acquisition of property, plant and equipment and intangible assets	11	(1,035)	(360)
Bank deposits	4	28,736	(213,695)
Net cash from/(used in) investing activities		**24,922**	**(187,893)**

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows (cont'd)
Year ended 31 December 2022

		Group	
	Note	**2022 US$'000**	**2021 US$'000**
Cash flows from financing activities			
Proceeds from issue of share capital	15	31,500	17,500
Contributions from non-controlling interests		13,500	7,500
Dividends paid		(7,470)	-
Proceeds from issue of bonds	12	199,900	499,500
Repayment of bonds	12	(100,000)	(300,000)
Proceeds from bank borrowings	12	621,308	482,150
Repayment of bank borrowings	12	(235,355)	(740,450)
Proceeds from issue of commercial papers	12	640,109	1,360,155
Repayment of commercial papers	12	(862,882)	(1,131,406)
Proceeds from notes issued (net of transaction costs capitalised)	12	372,494	361,100
Repayments of notes issued	12	(39,966)	-
Payment of lease liabilities	24	(681)	(689)
Net cash from financing activities		**632,457**	**555,360**
Net increase in cash and cash equivalents		**101,409**	**75,799**
Cash and cash equivalents at 1 January		231,312	155,513
Cash and cash equivalents at 31 December	4	**332,721**	**231,312**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors ("Board") on 24 March 2023.

1 Domicile and activities

Clifford Capital Holdings Pte. Ltd. ("Company" or "CCHPL") is a company incorporated in Singapore. The address of the Company's registered office is 1 Raffles Quay, #23-01 North Tower, Singapore 048583.

The financial statements of the Group comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

The Company is an investment holding company for the Group. The principal activities of the subsidiaries are set out in Note 9 to the financial statements.

2 Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") issued by the Accounting Standards Council Singapore, which comprise standards and interpretations that are equivalent to International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board.

All references to SFRS(I)s and IFRSs are subsequently referred to as SFRS(I) in these financial statements, unless otherwise specified.

Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

Functional and presentation currency

These financial statements are presented in United States dollars ("USD"), which is the Company's functional currency. All financial information presented in USD have been rounded to the nearest thousand, unless otherwise stated.

Use of estimates and judgements

The preparation of the 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

There are no critical judgements made by management in the process of applying the Group's accounting policies that have any significant effect on the amounts recognised in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 27 - impairment assessment of investments and loans and advances

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The Group engages an independent valuer for the valuation of debt investments held at FVTPL. Third party information used in the valuation model, such as broker quotes or pricing services, are shared and verified with the Group to support the conclusion that the valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the management.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which change has occurred.

New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2022:

- Amendments to SFRS(I) 16: *COVID-19-Related Rent Concessions beyond 30 June 2021*
- Amendments to SFRS(I) 3: *Reference to the Conceptual Framework*
- Amendments to SFRS(I) 1-16: *Property, Plant and Equipment – Proceeds Before Intended Use*
- Amendments to SFRS(I) 1-37: *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to SFRS(I)s 2018-2020

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess in negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are re-stated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Group's controlling shareholder. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognised directly in equity.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in equity-accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries, associates and joint ventures in the separate financial statements

Investments in subsidiaries, associates and joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses.

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of transaction. Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from translation of the qualifying cash flow hedges are recognised in OCI to the extent that the hedges are effective.

Financial instruments

Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Non-derivative financial assets: Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investments; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivatives designated as cash flow hedges.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or a financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies om accounting for modifications to the additional changes.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

Short-term deposits with maturities of more than three months from the date of acquisition are included as cash and cash equivalents if the deposits can be withdrawn at any point in time, or if the deposits are subject to an insignificant risk of changes in their fair value due to the low interest rates in the market.

Cash and cash equivalents are carried at amortised cost in the financial statements.

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedges directly affected by interest rate benchmark reform

(a) *Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from interest rate benchmark reform*

If a hedging relationship is directly affected by IBOR reform, then the Group applies certain exceptions (referred to as 'the Phase 1 amendments') to the general hedge accounting policy. The Group considers that a hedging relationship is directly affected by IBOR reform if it is subject to the following uncertainty arising from the reform:

- an interest rate benchmark subject to the reform is designated as the hedged risk, regardless of whether the rate is contractually specified; and/or
- the timing or amounts of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument are uncertain.

The Phase 1 amendments to the Group's policies are as follows:

a. For the purpose of evaluating whether the hedging relationship is expected to be highly effective (i.e. prospective effectiveness assessment), the Group assumes that the benchmark interest rate is not altered as a result of IBOR reform.

b. If the Group concludes that the actual result of a hedging relationship is outside the range of 80–125% (i.e. retrospective assessment), then the Group determines whether the hedging relationship continues to qualify for hedge accounting or whether it needs to be discontinued. This includes, for example, determining that the hedge is expected to be highly effective prospectively and that the effectiveness of the hedging relationship can be reliably measured.

c. For a hedge of a non-contractually specified benchmark portion of interest rate risk, the Group applies the requirement that the designated portion needs to be a separately identifiable component only at the inception of the hedging relationship.

d. For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be not altered as a result of IBOR reform for the purpose of asserting that the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

e. In determining whether a previously designated forecast transaction is no longer expected to occur, the Group assumes that the hedged interest rate benchmark cash flows will not be altered as a result of IBOR reform.

When the uncertainty arising from IBOR reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, or – except for item (e) – when the hedging relationship is discontinued, the Group will cease to apply the respective Phase 1 amendments.

(b) *Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform*

When the basis for determining the contractual cash flows of the hedged item or the hedging instrument changes as a result of interest rate benchmark reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by interest rate benchmark reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

For this purpose, the hedge designation is amended only to make on or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows of fair value being hedged;
- updating the descripting of the hedging instrument; or
- updating the description of how the Group will assess hedge effectiveness.

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by interest rate benchmark reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by interest rate benchmark reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by interest rate benchmark reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interest rate benchmark reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Fair value hedges of interest rate risk and foreign currency risk

The Group enters into interest rate swaps that are fair value hedges for interest rate risk arising from its fixed rate borrowing ("hedged item"). Pay-floating/receive-fixed interest rate swaps are matched to specific issuances of fixed-rate notes with terms that closely align with the critical terms of the hedged item. The fair value changes on the hedged item resulting from interest rate risk are recognised in profit or loss.

The Group also enters into cross currency swaps that are fair value hedges for foreign currency risk arising from its loans denominated in non-USD currencies ("hedged loan"). Pay non-USD/receive USD cross currency swaps are matched to specific non-USD denominated loans with terms that closely align with the critical terms of the hedged loan. The fair value changes on the hedged loan resulting from foreign currency risk are recognised in profit or loss.

If the hedged item/loan would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly. The fair value changes on the interest rate swaps and cross currency swaps designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item/loan. The fair value changes on the ineffective portion of the interest rate swaps and cross currency swaps are recognised separately in profit or loss.

By using derivative financial instruments to hedge exposures to changes in interest rates, the Group also exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged item. The Group minimises counterparty credit risk in derivative instruments by entering into transactions with high-quality counterparties and/or diversifying the hedging relationship with two or more counterparties.

Before fair value hedge accounting is applied by the Group, the Group determines whether an economic relationship between the hedged item and the hedging instrument exists based on an evaluation of the qualitative characteristics of these items and the hedged risk that is supported by quantitative analysis. The Group considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. The Group evaluates whether the fair value of the hedged item and the hedging instrument respond similarly to similar risks. The Group further supports this qualitative assessment by using regression analysis to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest rate method is used is amortised to profit or loss as part of the recalculated interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is amortised to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is discontinued.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

The Group enters into treasury locks that are cash flow hedges for basis rate exposure arising from its unsecured bond issues ("hedged item").

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

As noted above for fair value hedges, by using derivative financial instruments to hedge exposures to changes in foreign currency exchange rates, the Group exposes itself to credit risk of the counterparties to the derivatives, which is not offset by the hedged items. This exposure is managed similarly to that for fair value hedges.

The Group determines whether an economic relationship exists between the cash flows of the hedged item and hedging instrument based on an evaluation of the qualitative characteristics of these items and the hedged risk that is supported by quantitative analysis. The Group considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. The Group evaluates whether the cash flows of the hedged item and the hedging instrument respond similarly to the hedged risk, such as the benchmark foreign currency. The Group further supports this qualitative assessment by using regression analysis to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the present value of the hedged item.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationship. The change in fair value of the forward element of forward exchange contracts (“forward points”) is separately accounted for as a cost of hedging and recognised in a cost in hedging reserve within equity.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedge is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item’s cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedge expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SRFS(I) 1-12.

Preference share capital

Non-redeemable preference shares are classified as equity, because they bear discretionary dividends, do not contain any obligations to deliver cash or other financial assets and do not require settlement in a variable number of Group’s equity instruments. Discretionary dividends thereon are recognised as equity distributions on approval by the Company’s shareholders.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

- renovations and fixtures — 5 years
- IT and office equipment — 3 years

Depreciation methods, useful lives and residual values are reviewed, at the end of each reporting period and adjusted if appropriate.

Intangible assets

IT software

IT software that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for current and comparative years are as follows:

- IT software 3 to 5 years

Amortisation methods, useful lives and residual values are reviewed, at the end of each reporting period and adjusted if appropriate.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see note 3 on business combinations.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates and joint ventures.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability 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 right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interact rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessments of whatever it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

From 1 January 2021, where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Impairment

Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost; and
- debt investments measured at FVOCI.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade and other receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assesses whether a significant increase in credit risk has occurred for an exposure by comparing the remaining lifetime probability of default ("PD") as at the reporting date, with the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure.

(a) *Credit risk grade*

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

(b) *Incorporation of forward-looking information*

The Group incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Group formulates three economic scenarios: a base case, which is the median scenario assigned a probability of occurring, and two less likely scenarios, one upside and one downside, each assigned a probability of occurring. External macro variables considered includes economic data and forecasts published by relevant authorities.

Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of the upside and downside representative scenarios.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses.

Credit losses for financial assets that are not credit impaired at the reporting date are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit losses for financial assets that are credit impaired at the reporting date are measured at the difference between the gross carrying amount and the present value of estimated future cash flows.

Credit losses undrawn loan commitments are measured at the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive.

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the term structures of the following variables:

- PD;
- loss given default (“LGD”); and
- exposure at default (“EAD”).

In general, the Group derives these parameters from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment.

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit impaired. A financial asset is “credit impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

For debt investments at FVOCI, loss allowances are charged to profit or loss and recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications 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.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate or a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than defined contribution plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

As the Group seeks to align employees' interests with shareholders and to enable employees to share in the Group's growth, it established a Long-term Incentive Unit ("LTIU") scheme as part of its long-term employee benefits plan. This is a performance-based incentive scheme administered by the Leadership Development and Compensation Committee, a Board committee comprising directors who are duly authorised and appointed by the Board. Participants of this LTIU scheme are awarded units with a future vesting date and target value. On the vesting date, if the actual value of the unit equals or exceeds the target value set, participants are entitled to a cash payment based on the actual value for each unit held.

Long-term employee benefits are measured by amortising to profit or loss the estimated payout at vesting date on a straight-line basis over the vesting period.

The Group implemented a deferred bonus plan in which a portion of the annual performance bonus are deferred and payable in two tranches over a 2-year period from the end of the period in which it is awarded. The payout of deferred bonus is conditional on the employee remaining in service after the end of the award period up to the time of payout (the "stay period"). As the employee is entitled to a portion of the bonus exceeding 12 months after the end of the reporting period, the deferred bonus plan is classified as a long-term employee benefit for purposes of measurement and recognised over the stay period. The Group's obligation in respect of long-term employee benefits is the amount of benefit the employees have earned in return for their service in the current and prior periods.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group 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.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Revenue

Interest income and expense

Interest income and interest expense as presented in Note 18 arise from all interest-bearing financial assets and financial liabilities regardless of their classification and measurement.

Interest income and interest expense are recognised on a time proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts.

Fee and commission income

Fee and commission income are recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer and are recognised based on contractual rates agreed with customers.

A contract with a customer that results in a recognised financial instrument in the Group's financial statements may be partially in the scope of SFRS(I) 9 and partially in the scope of SFRS(I) 15. If this is the case, then the Group first applies SFRS(I) 9 to separate and measure the part of the contract that is in the scope of SFRS(I) 9 and then applies SFRS(I) 15 to the residual.

Management service fee income

The Group enters into management service contracts. Revenue related to the provision of management, administrative and support services under the management service fee agreements is recognised over time as the services are provided.

Dividend income

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Government grants

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received, and the Group will comply with the condition associated with the grant. Grants related to the acquisition of assets are then recognised in profit or loss as 'other income' on a systematic basis over the useful life of the assets.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

Income tax

Tax expense comprises current and deferred tax. Current 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 OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

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 not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I)1-1: Classification of Liabilities as Current or Non-Current
- SFRS(I) 17 Insurance Contracts and Amendments to SFRS(I) 17 Insurance Contracts
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definition of Accounting Estimates

4 Cash and cash equivalents

	Group		Company	
	2022 US$'000	**2021 US$'000**	**2022 US$'000**	**2021 US$'000**
Bank balances	25,902	61,902	500	10,225
Short-term deposits	525,778	417,105	31,200	20,000
Cash and cash equivalents on the statements of financial position	**551,680**	**479,007**	**31,700**	**30,225**
Short-term deposits with original maturity of more than three months	(218,959)	(247,695)	-	-
Cash and cash equivalents on the statements of cash flows	**332,721**	**231,312**	**31,700**	**30,225**

The Group's exposure to credit and market risks and fair value information are disclosed in notes 27 and 28.

5 Investments

		Group	
	Note	**2022 US$'000**	**2021 US$'000**
Debt investments – at amortised cost		275,361	278,979
Debt investments – mandatorily at FVTPL		-	47,407
Allowance for impairment	27	(5,048)	(1,988)
		270,313	**324,398**

Debt investments classified at amortised cost have stated interest rates of 3.9% to 6.0% (2021: 3.9% to 6.0%) and mature in 2 to 6 years (2021: 2 to 16 years).

The Group's exposure to credit and market risks, fair value information and impairment losses for investments measured at amortised cost are disclosed in notes 27 and 28.

6 Loans and advances

	Note	Group 2022 US$'000	Group 2021 US$'000
Loans and advances - at amortised cost		3,033,479	2,424,869
Allowance for impairment	27	(41,733)	(76,049)
		2,991,746	**2,348,820**

Loans and advances classified at amortised cost include loans at variable interest rates with stated interest rates of LIBOR+1.0% to LIBOR+7.3% (2021: LIBOR+1.2% to LIBOR+7.5%), SOFR+1.4% to SOFR+4.8% (2021: Nil), BBSY+1.5% to BBSY+2.5% (2021: Nil), EURIBOR+2.2% (2021: Nil) and mature in 1 to 20 years (2021: 1 to 15 years) and also include loans at fixed interest rates with stated interest rates of 3.0% to 6.3% (2021: 1.3% to 6.3%) and mature in 4 to 13 years (2021: 1 to 21 years).

The Group's exposure to credit and market risks, fair value information and impairment losses for investments measured at amortised cost are disclosed in notes 27 and 28.

7 Other assets

	Group 2022 US$'000	Group 2021 US$'000	Company 2022 US$'000	Company 2021 US$'000
Trade receivables due from a joint venture	98	-	-	-
Trade receivables due from a subsidiary	-	-	-	196
Interest receivable - debt investments, loans and advances	24,023	10,988	-	-
Interest receivable - interest rate swaps used for hedging	5,231	5,532	-	-
Interest receivable/(payable) - cross currency swaps used for hedging	29	(2)	-	-
Interest receivable - short-term deposits	3,751	508	74	1
Fees receivable	399	344	-	-
Deposits	476	355	-	-
Other receivables	32	176	-	-
GST receivable	491	92	292	-
Prepayments	744	530	-	-
	35,274	**18,523**	**366**	**197**

The Group's exposure to credit and market risks and fair value information are disclosed in notes 27 and 28.

8 Deferred tax assets

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group 2022 US$'000	Group 2021 US$'000
Property, plant and equipment and intangible assets	(88)	(77)
Provisions	830	315
Impairment allowances	2,320	-
	3,062	**238**

Movement in deferred tax balances

Group	At 1 January 2021 US$'000	Recognised in profit or loss US$'000	At 31 December 2021 US$'000	Recognised in profit or loss (Note 22) US$'000	At 31 December 2022 US$'000
Property, plant and equipment and intangible assets	-	(77)	(77)	(11)	(88)
Provisions	-	315	315	515	830
Impairment allowances	-	-	-	2,320	2,320
	-	**238**	**238**	**2,824**	**3,062**

9 Subsidiaries

	Company 2022 US$'000	Company 2021 US$'000
Equity investments at cost	480,903	449,403

Details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/Country of incorporation	Ownership interest 2022 %	Ownership interest 2021 %	Principal activity
Direct subsidiaries				
Clifford Capital Pte. Ltd.	Singapore	100	100	Debt financing
Bayfront Infrastructure Management Pte. Ltd.	Singapore	70	70	Debt financing
CCH Management Services Pte. Ltd.	Singapore	100	100	Back-end service provider
Indirect subsidiaries				
BIM Asset Management Pte. Ltd.	Singapore	70	70	Asset management
Bayfront Infrastructure Capital II Pte. Ltd.	Singapore	70	70	Debt financing
Bayfront Infrastructure Capital III Pte. Ltd.	Singapore	70	-	Debt financing

10 Equity accounted investees

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Interest in an associate	54,302	49,690	48,535	41,015
Interests in joint ventures	9,436	9,223	9,476	9,476
	63,738	**58,913**	**58,011**	**50,491**

Associate

The Group has only one associate which is equity accounted. The following are details of the associate:

	Keppel-Pierfront Private Credit Fund, LP
Nature of relationship with the Group	Fund which invests in debt instruments issued by companies in the real asset sectors in Asia-Pacific
Principal place of business/Country of incorporation	Singapore
Economic interest	22.54% (2021: 25.72%)

The following summarises the financial information of the Group's associate based on its financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Keppel-Pierfront Private Credit Fund, LP US$'000
2022	
Revenue	11,895
Profit and total comprehensive income	**11,510**
Attributable to investee's all limited partners	11,510
Non-current assets	56,028
Current assets	160,687
Current liabilities	(63)
Net assets	216,652
Attributable to investee's limited partners	216,652
Group's interest in net assets of investee at beginning of the year	**49,690**
Group's share of profit of equity-accounted investees (net of tax):	
- profit (loss) from current year	2,622
- loss on dilution	(789)
- profit and total comprehensive income	1,833
Group's contribution during the year	23,657
Proceed from Group's dilution of interest	(16,138)
Dividends received during the year	(4,740)
Carrying amount of interest in investee at end of the year	**54,302**

	Keppel-Pierfront Private Credit Fund, LP US$'000
2021	
Revenue	16,901
Profit and total comprehensive income	**15,630**
Attributable to investee's all limited partners	15,630
Non-current assets	63,843
Current assets	101,455
Current liabilities	(997)
Net assets	**164,301**
Attributable to investee's limited partners	164,301
Group's interest in net assets of investee at beginning of the year	**74,570**
Group's share of profit of equity-accounted investees (net of tax):	
- profit from current year	5,015
- loss on dilution	(2,933)
- profit and total comprehensive income	2,082
Proceed from Group's dilution of interest	(26,485)
Dividends received during the year	(477)
Carrying amount of interest in investee at end of the year	**49,690**

Keppel-Pierfront Private Credit-Fund, LP secured total new capital commitments of US$255,000,000 from three new institutional investors in its second closing in November 2021 ("Second Close") bringing the total capital commitments to US$388,700,000. Out of the US$255,000,000 total new capital commitments, US$188,732,394 is currently available for drawdown. Total capital commitments available for drawdown after the Second Close was US$388,732,394.

Pursuant to the Second Close, the Company received US$26,485,062 distributions from KPPCF for dilution of its interest in KPPCF from 50% to 25.72%.

As of 30 September 2022, which was also the date of the final close, Keppel-Pierfront Private Credit-Fund, LP secured total capital commitments of US$487,450,000. Total capital commitments available for drawdown after the final close is US$443,577,465.

Pursuant to the final close, the Company received US$3,684,994 distributions from KPPCF for dilution of its interest in KPPCF from 25.72% to 22.54%.

The following table summarises the financial impact to the Group's profit or loss on the Group's dilution of interest in KPPCF from 25.72% to 22.54% (2021: from 50% to 25.72%):

	Group	
	2022 US$'000	2021 US$'000
Interest income from limited partners of equity-accounted investees in other income	358	2,457
Loss on dilution in share of profit of equity-accounted investees (net of tax)	(789)	(2,933)
	(431)	**(476)**

Joint ventures

Pierfront Capital Fund Management Pte. Ltd. and KP Management (GP) Pte. Ltd. are unlisted joint ventures in which the Group have joint control via shareholders' agreement and 50% ownership interest and are accounted for using the equity method. Pierfront Capital Fund Management Pte. Ltd. and KP Management (GP) Pte. Ltd. are principally engaged in fund management and investment holding activities, respectively, and are based in Singapore.

The following table summarises the financial information of Pierfront Capital Fund Management Pte. Ltd. and KP Management (GP) Pte. Ltd., based on their financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Pierfront Capital Fund Management Pte. Ltd. US$'000	KP Management (GP) Pte. Ltd. US$'000
2022		
Revenue	8,297	-
Profit and total comprehensive income	**426**	**-**
Current assets [a]	8,685	-
Current liabilities	(4,705)	-
Net assets	**3,980**	**-**
[a] Includes cash and cash equivalents of US$6,980,672.		
Group's interest in net assets of investees at beginning of the year	9,223	-
Share of total comprehensive income	213	-
Carrying amount of interest in investees at end of the year	**9,436**	**-**
2021		
Revenue	7,412	-
Profit and total comprehensive income	**827**	**-**
Current assets [a]	6,545	-
Current liabilities	(2,991)	-
Net assets	**3,554**	**-**
[a] Includes cash and cash equivalents of US$6,515,246		
Group's interest in net assets of investees at beginning of the year	8,010	-
Share of total comprehensive income	413	-
Group's additional contribution during the year	800	-
Carrying amount of interest in investees at end of the year	**9,223**	**-**

11 Property, plant and equipment and intangible assets

Group	Right-of-use assets US$'000	Renovations and fixtures US$'000	IT and office equipment US$'000	IT software US$'000	Total US$'000
Cost					
At 1 January 2021	2,501	1,125	673	2,296	6,595
Additions	-	-	8	352	360
At 31 December 2021	**2,501**	**1,125**	**681**	**2,648**	**6,955**
At 1 January 2022	2,501	1,125	681	2,648	6,955
Additions	2,496	950	-	85	3,531
Expired	(2,501)	-	-	-	(2,501)
Expensed off	-	-	(8)	-	(8)
At 31 December 2022	**2,496**	**2,075**	**673**	**2,734**	**7,977**
Accumulated depreciation					
At 1 January 2021	1,266	559	273	761	2,859
Depreciation and amortisation	639	195	45	745	1,624
At 31 December 2021	**1,905**	**754**	**318**	**1,506**	**4,483**
At 1 January 2022	1,905	754	318	1,506	4,483
Depreciation and amortisation	657	242	36	868	1,802
Expired	(2,501)	-	-	-	(2,501)
At 31 December 2022	**61**	**996**	**354**	**2,374**	**3,784**
Carrying amounts					
At 1 January 2021	**1,235**	**566**	**400**	**1,535**	**3,736**
At 31 December 2021	**596**	**371**	**363**	**1,142**	**2,472**
At 31 December 2022	**2,435**	**1,079**	**319**	**360**	**4,193**

Property, plant and equipment and intangible assets include property, plant and equipment of US$3,833,395 (2021: US$1,330,358) and intangible assets of US$360,011 (2021: US$1,142,208).

12 Loans and borrowings

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Non-current liabilities				
Unsecured bond issues	1,612,761	1,502,706		
Unsecured bank loans	-	18,000	-	-
Notes issued	690,327	359,418	-	-
Lease liabilities	1,665	9	-	-
	2,304,753	**1,880,133**	**-**	**-**

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current liabilities				
Unsecured bond issues	-	101,022		
Unsecured bank loans	417,952	14,000	-	-
Unsecured commercial papers	402,828	625,602	-	-
Lease liabilities	806	624	-	-
	821,586	**741,248**	**-**	**-**
	3,126,339	**2,621,381**	**-**	**-**

The Group's unsecured bond issues, unsecured bank loans and unsecured commercial papers of US$2,429,945,720 (2021: US$2,261,330,001) are unconditionally and irrevocably guaranteed ("Guarantee") by the Government of Singapore ("Guarantor"). The total amount recoverable by all creditors from the Guarantor under the Guarantee in respect of all documents relating to such loans and borrowings ("Guaranteed Documents") is limited to:

- an aggregate amount of US$5,300,000,000 (2021: US$5,300,000,000) in respect of principal sums; and
- an aggregate amount of US$600,000,000 (2021: US$600,000,000) in respect of interest (including interest on overdue interest), making an overall aggregate limit of US$5,900,000,000 (2021: US$5,900,000,000) for both principal and interest payable under all Guaranteed Documents entered into between all creditors and the Group.

From 1 October 2022, a guarantee fee of 0.20% per annum on outstanding loans and borrowings of a subsidiary is payable to the Guarantor.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other loans and borrowings US$'000	Lease liabilities US$'000	Total US$'000
Group			
At 1 January 2021	**2,132,817**	**1,335**	**2,134,152**
Changes from financing cash flows			
Proceeds from issue of bonds	499,500	-	499,500
Repayment of bonds	(300,000)	-	(300,000)
Proceeds from bank borrowings	482,150	-	482,150
Repayment of bank borrowings	(740,450)	-	(740,450)
Proceeds from issue of commercial papers	1,360,155	-	1,360,155
Repayment of commercial papers	(1,131,406)	-	(1,131,406)
Proceeds from infrastructure asset-backed securities	361,100	-	361,100
Payments of lease liabilities	-	(689)	(689)
Total changes from financing cash flows	**531,049**	**(689)**	**530,360**
The effect of changes in foreign exchange rates		**(25)**	**(25)**
Change in fair value	**(41,754)**	**-**	**(41,754)**
Other changes			
New leases	(1,885)	-	(1,885)
Interest expense	521	12	533
Total other changes	**(1,364)**	**12**	**(1,352)**
At 31 December 2021	**2,620,748**	**633**	**2,621,381**

Group	Other loans and borrowings US$'000	Lease liabilities US$'000	Total US$'000
At 1 January 2022	**2,620,748**	**633**	**2,621,381**
Changes from financing cash flows			
Proceeds from issue of bonds	199,900	-	199,900
Repayment of bonds	(100,000)	-	(100,000)
Proceeds from bank borrowings	621,308	-	621,308
Repayment of bank borrowings	(235,355)	-	(235,355)
Proceeds from issue of commercial papers	640,109	-	640,109
Repayment of commercial papers	(862,882)	-	(862,882)
Proceeds from infrastructure asset-backed securities	372,494	-	372,494
Repayment of infrastructure asset-backed securities	(39,966)	-	(39,966)
Payments of lease liabilities	-	(681)	(681)
Total changes from financing cash flows	**595,608**	**(681)**	**594,927**
The effect of changes in foreign exchange rates	**-**	**27**	**27**
Change in fair value	**(91,161)**	**-**	**(91,161)**
Other changes			
New leases	-	2,477	2,477
Capitalised borrowing cost	(2,071)	-	(2,071)
Interest expense	746	15	761
Senior loan effective interest rate amortisation	(2)	-	(2)
Total other changes	**(1,327)**	**2,492**	**1,165**
At 31 December 2022	**3,123,868**	**2,471**	**3,126,339**

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

Group	Currency	Nominal interest rate per annum %	Year of maturity	Face value US$'000	Carrying amount US$'000
2022					
Unsecured bond issues					
Unsecured bond issues 2	USD	2.791	2025	50,000	49,988
Unsecured bond issues 3	USD	3.095	2030	50,000	49,965
Unsecured bond issues 4	USD	2.196	2026	50,000	49,982
Unsecured bond issues 6	USD	3.030	2027	50,000	50,340
Unsecured bond issues 7	USD	3.203	2032	50,000	49,947
Unsecured bond issues 8	USD	2.948	2027	50,000	49,974
Unsecured bond issues 9	USD	3.124	2032	50,000	49,954
Unsecured bond issues 10	USD	3.110	2032	40,000	39,966
Unsecured bond issues 11	USD	2.080	2022	-	-
Unsecured bond issues 12	USD	3.380	2028	300,000	286,849
Unsecured bond issues 14	USD	1.733	2024	300,000	288,481
Unsecured bond issues 15	USD	1.121	2026	500,000	449,412
Unsecured bond issues 16	USD	4.137	2027	200,000	197,903
				1,690,000	**1,612,761**

Group	Currency	Nominal interest rate per annum %	Year of maturity	Face value US$'000	Carrying amount US$'000
2022					
Unsecured commercial papers					
Unsecured commercial papers	USD	2.800	2023	25,000	24,981
Unsecured commercial papers	USD	3.260	2023	100,000	99,964
Unsecured commercial papers	USD	3.810	2023	50,000	49,626
Unsecured commercial papers	USD	4.350	2023	50,000	49,803
Unsecured commercial papers	AUD	3.082	2023	8,857	8,838
Unsecured commercial papers	USD	3.311	2023	20,000	19,967
Unsecured commercial papers	USD	3.929	2023	50,000	49,898
Unsecured commercial papers	USD	4.260	2023	50,000	49,775
Unsecured commercial papers	USD	4.120	2023	50,000	49,976
				403,857	**402,828**
Notes issued					
Notes issued	USD	Libor+1.25	2033	153,088	152,450
Notes issued	USD	Libor+1.20	2033	103,847	103,414
Notes issued	USD	Libor+1.85	2033	33,300	33,161
Notes issued	USD	Libor+2.35	2033	22,100	22,008
Notes issued	USD	Libor+3.40	2033	8,800	8,763
Notes issued	USD	Term SOFR+1.55	2036	187,900	186,903
Notes issued	USD	Term SOFR+1.50	2036	110,000	109,416
Notes issued	USD	Term SOFR+2.30	2036	33,400	33,222
Notes issued	USD	Term SOFR+4.60	2036	43,000	40,990
				695,435	**690,327**
Unsecured bank loans					
Unsecured bank loans 1	AUD	3.508	2023	27,933	27,933
Unsecured bank loans 2	AUD	3.541	2023	14,852	14,852
Unsecured bank loans 3	AUD	3.548	2023	2,316	2,316
Unsecured bank loans 4	AUD	3.631	2023	2,112	2,112
Unsecured bank loans 5	USD	ON SOFR+0.14 65+0.33 with 5 days lookback	2023	37,000	37,000
Unsecured bank loans 6	USD	ON SOFR+0.14 65+0.33 with 5 days lookback	2023	200	200
Unsecured bank loans 7	USD	ON SOFR+0.40 with 5 days lookback	2023	43,000	43,000

Group	**Currency**	**Nominal interest rate per annum %**	**Year of maturity**	**Face value US$'000**	**Carrying amount US$'000**
2022					
Unsecured bank loans (cont'd)					
Unsecured bank loans 8	USD	TERM SOFR+0.50	2023	93,000	93,000
Unsecured bank loans 9	USD	ON SOFR+0.09 938	2023	20,000	20,000
Unsecured bank loans 10	USD	ON SOFR+0.40 with 5 days lookback	2023	7,000	7,000
Unsecured bank loans 11	USD	ON SOFR+0.14 65+ 0.33 with 5 days lookback	2023	5,500	5,500
Unsecured bank loans 12	AUD	BBSY+0.33	2023	17,039	17,039
Unsecured bank loans 13	USD	Interpolated LIBOR+0.33	2023	20,000	20,000
Unsecured bank loans 14	USD	ON SOFR+0.40 with 5 days lookback	2023	50,000	50,000
Unsecured bank loans 15	USD	ON SOFR+0.14 65+0.33 with 5 days lookback	2023	47,000	47,000
Unsecured bank loans 16	USD	ON SOFR+0.14 65+0.33 with 5 days lookback	2023	31,000	31,000
				417,952	**417,952**
Lease liabilities					
Lease liability 1	SGD	4.960	2025	2,453	2,453
Lease liability 2	SGD	0.581	2025	9	9
Lease liability 3	SGD	20.000	2027	9	9
				2,471	**2,471**
Interest-bearing liabilities				**3,209,715**	**3,126,339**

Group	Currency	Nominal interest rate per annum %	Year of maturity	Face value US$'000	Carrying amount US$'000
2021					
Unsecured bond issues					
Unsecured bond issues 2	USD	2.791	2025	50,000	49,987
Unsecured bond issues 3	USD	3.095	2030	50,000	49,952
Unsecured bond issues 4	USD	2.196	2026	50,000	49,979
Unsecured bond issues 6	USD	3.030	2027	50,000	50,422
Unsecured bond issues 7	USD	3.203	2032	50,000	49,943
Unsecured bond issues 8	USD	2.948	2027	50,000	49,971
Unsecured bond issues 9	USD	3.124	2032	50,000	49,943
Unsecured bond issues 10	USD	3.110	2032	40,000	39,955
Unsecured bond issues 11	USD	2.080	2022	100,000	101,022
Unsecured bond issues 12	USD	3.380	2028	300,000	320,793
Unsecured bond issues 14	USD	1.733	2024	300,000	300,847
Unsecured bond issues 15	USD	1.121	2026	500,000	490,914
				1,590,000	**1,603,728**
Unsecured commercial papers					
Unsecured commercial papers	USD	0.140	2022	40,000	39,997
Unsecured commercial papers	USD	0.150	2022	50,000	49,999
Unsecured commercial papers	USD	0.170	2022	50,000	49,975
Unsecured commercial papers	USD	0.173	2022	50,000	49,999
Unsecured commercial papers	USD	0.173	2022	50,000	49,999
Unsecured commercial papers	USD	0.175	2022	55,000	54,986
Unsecured commercial papers	AUD	0.122	2022	12,710	12,707
Unsecured commercial papers	USD	0.185	2022	35,000	34,989
Unsecured commercial papers	USD	0.180	2022	23,000	22,993
Unsecured commercial papers	USD	0.180	2022	50,000	49,983
Unsecured commercial papers	USD	0.150	2022	31,000	31,000
Unsecured commercial papers	USD	0.157	2022	53,000	52,997
Unsecured commercial papers	USD	0.160	2022	37,000	36,996
Unsecured commercial papers	USD	0.165	2022	24,000	23,996
Unsecured commercial papers	USD	0.180	2022	50,000	49,988
Unsecured commercial papers	USD	0.170	2022	15,000	14,998
				625,710	**625,602**
Notes issued					
Notes issued	USD	Libor+1.25	2022	176,900	176,076
Notes issued	USD	Libor+1.20	2022	120,000	119,441
Notes issued	USD	Libor+1.85	2022	33,300	33,145
Notes issued	USD	Libor+2.35	2022	22,100	21,997
Notes issued	USD	Libor+3.40	2022	8,800	8,759
				361,100	**359,418**
Unsecured bank loans					
Unsecured bank loans 1	USD	0.394	2022	10,000	10,000
Unsecured bank loans 2	USD	0.350	2022	18,000	18,000
Unsecured bank loans 3	USD	0.350	2022	4,000	4,000
				32,000	**32,000**

Group	Currency	Nominal interest rate per annum %	Year of maturity	Face value US$'000	Carrying amount US$'000
2021					
Lease liabilities					
Lease liability 1	SGD	1.183	2022	621	621
Lease liability 2	SGD	0.581	2025	12	12
				633	**633**
Interest-bearing liabilities				**2,248,343**	**2,621,381**
Company					
2021					
Unsecured bank loans					
Unsecured bank loans 1	USD	0.730	2021	4,600	4,600
				4,600	**4,600**
Loan from a subsidiary	USD	0.583	2021	2,993	2,993
				2,993	**2,993**
Interest-bearing liabilities				**7,593**	**7,593**

The Group's exposure to liquidity and market risks and fair value information related to loans and borrowings are disclosed in notes 27 and 28.

13 Provisions

Group	Employee benefits US$'000	Restoration US$'000	Total US$'000
At 1 January 2021	**6,097**	**208**	**6,305**
Provision made during the year	2,503	-	2,503
Provision used during the year	(2,689)	-	(2,689)
Provision lapsed during the year	(751)	-	(751)
Unrealised foreign exchange difference	(17)	-	(17)
At 31 December 2021	**5,143**	**208**	**5,351**
At 1 January 2022	**5,143**	**208**	**5,351**
Provision made during the year	2,523	20	2,543
Provision used during the year	(2,171)	-	(2,171)
Unrealised foreign exchange difference	4	-	4
At 31 December 2022	**5,499**	**228**	**5,727**

Employee benefits

Long-term incentive units ("LTIU")

The Group's LTIU scheme relates to a deferred compensation plan granted to management personnel of the Group. The LTIU is awarded each year and is vested over a period of 3 years (2021: 3 years), at the end of which the LTIU will cash-settle if the Group achieves certain pre-determined book value targets.

Restoration

The provision for reinstatement costs relate primarily to costs of dismantlement, removal or restoration of office upon termination of lease and is estimated based on market quotations.

14 Other liabilities

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current liabilities				
Trade payables due to third parties	367	262	2	-
Trade payables due to subsidiaries	-	-	509	-
GST payable	-	166	-	-
Accrued interest payable	27,985	14,015	-	-
Accrued expenses	11,669	10,206	25	92
Deferred income	3,140	3,343	-	-
	43,161	**27,992**	**536**	**92**

Outstanding balances with related parties are unsecured.

The Group's exposure to liquidity and market risks and fair value information related to other liabilities is disclosed in notes 27 and 28.

15 Share capital

Company	**2022 Number of shares**	**2021 Number of shares**
Fully paid ordinary shares, with no par value		
In issue at 1 January	344,117,088	333,684,897
Issued for cash	18,777,942	10,432,191
In issue at 31 December	**362,895,030**	**344,117,088**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets. All issued shares are fully paid, with no par value.

Ordinary shares

Issue of ordinary shares

On 31 March 2021, the Company issued 10,432,191 ordinary shares at US$1.6775 per share to provide working capital to Bayfront Infrastructure Management Pte. Ltd.

On 18 March 2022 and 9 September 2022, the Company issued 18,777,942 ordinary shares at US$1.6775 per share to provide working capital to Bayfront Infrastructure Management Pte. Ltd.

During the financial year ended 31 December 2022, the Group and the Company declared and paid exempt (one-tier) dividends to owners of the Company at 2.2 cents per qualifying ordinary shares amounting to US$7,470,064.

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors. These exempt (one-tier) dividends have not been provided for.

	Group and Company	
	2022	**2021**
	US$'000	**US$'000**
2.1825 cents per qualifying ordinary share (2021: 2.1708 cents)	7,920	7,470

16 Reserves

The reserves of the Group and the Company comprise the following balances:

	Group		**Company**	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Cash flow hedge reserve	597	851	-	-
Merger reserve	(110,460)	(110,460)	3,443	3,443
	(109,863)	**(109,609)**	**3,443**	**3,443**

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

Merger reserve

Merger reserve of the Group and Company relates to the difference between consideration paid and the paid-in capital of CCPL which was acquired by the Company by way of common control transaction pursuant to a restructuring exercise.

17 Non-controlling interests

The following subsidiaries have NCI that are material to the Group.

Name of subsidiary	**Principal place of business/Country of incorporation**	**Ownership interests held by NCI**	
		2022	**2021**
		%	**%**
Direct subsidiary			
Bayfront Infrastructure Management Pte. Ltd.	Singapore	30	30
Indirect subsidiary			
BIM Asset Management Pte. Ltd.	Singapore	30	30
Bayfront Infrastructure Capital II Pte. Ltd.	Singapore	30	30
Bayfront Infrastructure Capital III Pte. Ltd.	Singapore	30	-

The following summarised financial information for the above subsidiaries are prepared in accordance with SFRS(I) that are equivalent to IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	Bayfront Infrastructure Management Pte. Ltd. and its subsidiaries	
	2022	**2021**
	US$'000	**US$'000**
Revenue	19,925	9,222
Profit for the year	6,167	1,225
OCI	-	(8,365)
Total comprehensive income	**6,167**	**(7,140)**
Attributable to NCI:		
Profit for the year	1,849	368
OCI	-	(2,510)
Total comprehensive income	**1,849**	**(2,142)**
Non-current assets	1,304,022	730,218
Current assets	111,600	89,692
Total liabilities	(1,249,723)	(705,178)
Net assets	**165,899**	**114,732**
Net assets attributable to NCI	**49,769**	**34,420**
Cash flows used in operating activities	(611,759)	(359,897)
Cash flows from/(used in) investing activities	41,561	(40,195)
Cash flows from financing activities	562,616	440,340
Net (decrease)/increase in cash and cash equivalents	**(7,582)**	**40,248**

The NCI holds 100% of the redeemable preference shares of Bayfront Infrastructure Management Pte. Ltd.

The redeemable preference shares of Bayfront Infrastructure Management Pte. Ltd. have the following rights, benefits and privileges and are subject to the following restrictions:

Dividend

Preference shareholders shall be entitled to be paid out of the distributable profits a preference dividend if the board of directors determines in its absolute discretion. The preference dividends, if any, shall rank *pari passu* with ordinary dividends.

Capital

On liquidation, dissolution or winding up (whether voluntary or involuntary) of Bayfront Infrastructure Management Pte. Ltd., the assets available for distribution among the members of Bayfront Infrastructure Management Pte. Ltd. shall be applied as follows:

- firstly, in paying to the preference shareholders, all outstanding preference dividends which have been declared and which remains unpaid;
- secondly, in paying to the preference shareholders, an amount equal to the 100 per cent of the issue price paid; and
- thirdly, the balance of such assets and profits shall belong to and be distributed pro rata among the holders of ordinary shares based on the number of ordinary shares held by each holder.

Redemption

Redemption of preference shares shall be at the sole discretion of the board of directors of Bayfront Infrastructure Management Pte. Ltd. following the 10th anniversary and provided certain exit conditions are satisfied. No preference shareholders have the right to require the redemption of any of its preference shares. The redemption of the preference shares shall be at the redemption amount which would provide the holder of such Preference Shares IRR of 8.00 per cent on the issue price paid together with any outstanding preference dividends which have been declared and which remains unpaid as of the date of redemption of the preference shares. Upon redemption, such preference share shall be deemed to have been cancelled.

Voting

The preference share shall confer on the holder thereof the right to receive notice of, or to attend and vote at, all meetings of Bayfront Infrastructure Management Pte. Ltd. and same voting rights as the holders of ordinary shares of Bayfront Infrastructure Management Pte. Ltd.

Where the preference shareholders are entitled to vote on any resolution, then, at the relevant general meetings, shall have one (1) vote for every preference share.

18 Net interest income

	Group	
	2022	**2021**
	US$'000	**US$'000**
Interest income under the effective interest method on:		
- Cash and cash equivalents	8,247	2,543
- Debt investments – at amortised cost	13,668	14,657
- Loans and advances - amortised cost	126,734	69,302
- Loans and advances – at FVOCI	-	655
Total interest income arising from financial assets measured at amortised cost or FVOCI	**148,649**	**87,157**
Interest income received from financial assets at FVTPL:		
- Debt investments – mandatorily at FVTPL	1,431	3,017
Interest income	**150,080**	**90,174**
Loans and borrowings – at amortised cost	(68,420)	(47,816)
Interest income from interest rate swaps and treasury locks used for hedging	(2,622)	21,379
Interest expense from cross currency swaps used for hedging	139	(73)
Interest expense from lease liabilities	(15)	(12)
Interest expense	**(70,918)**	**(26,522)**
Net interest income	**79,162**	**63,652**

19 Fee and commission income (net)

	Note	Group 2022 US$'000	Group 2021 US$'000
Structuring fees		-	400
Other fee income		1,412	3,005
Guarantee fee	12	(1,076)	-
		336	**3,405**

Structuring fee

Nature of goods or services	Structuring fee income generally relates to loan structuring and origination services performed by the Group in its ordinary course of business operations.
When revenue is recognised	The fee income is recognised when all performance obligations in relation to the fee income has been satisfied.
Significant payment terms	The fee is receivable when contractually due for payment.

Other fee income

Nature of goods or services	The fee income generally relates to other services performed by the Group in its ordinary course of business operations.
When revenue is recognised	The fee income is recognised when all performance obligations in relation to the fee income has been satisfied.
Significant payment terms	The fee is receivable when contractually due for payment.

20 Other income

	Group 2022 US$'000	Group 2021 US$'000
Service fee income from a joint venture	1,829	1,500
Service fee income from a third party	1,700	-
Government grant	321	196
Gain on disposal of financial assets	3,047	7,275
Fair value gain on financial assets mandatorily at FVTPL	-	192
Hedge ineffectiveness	-	(926)
Interest income from limited partners of equity-accounted investees	358	2,457
Others	94	34
	7,349	**10,728**

Government grant mainly relates to subsidies (Job Support Scheme and Job Growth Incentive) provided by the local government as wage support to help employers retain local employees during the year of uncertainty arising from COVID-19.

21 Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2022	**2021**
	US$'000	**US$'000**
Salaries, bonuses and other staff costs	21,600	20,696
Contributions to defined contribution plans	851	686
Depreciation and amortisation	1,802	1,624
Net foreign exchange loss	276	41

22 Income tax (credit)/expense

	Group	
	2022	**2021**
	US$'000	**US$'000**
Tax recognised in profit or loss		
Current tax expense		
Current year	1,750	581
Changes in estimates related to prior years	335	(51)
	2,085	**530**
Deferred tax expenses		
Origination and reversal of temporary differences	(2,824)	(238)
	(2,824)	**(238)**
	(739)	**292**

Reconciliation of effective tax rate

	Group	
	2022	**2021**
	US$'000	**US$'000**
Profit before tax	40,681	38,010
Tax using Singapore tax rate of 17% (2021: 17%)	6,916	6,462
Effects of results of equity-accounted investees presented net of tax	(348)	(424)
Non-deductible expenses	3,027	194
Tax exempt income	(7,482)	(6,499)
Tax incentives	(71)	(39)
Deferred tax credit on general provisions and impairment allowances	(3,032)	-
Change in unrecognised temporary differences	-	104
Changes in estimates related to prior years	335	(51)
Recognition of tax effect of previously unrecognised tax losses	(84)	-
Current year profit for which no deferred tax asset was recognised	-	545
	(739)	**292**

Tax expense excludes the Group's share of the tax expense of equity-accounted investees. No tax expense has been included in 'share of profit of equity-accounted investees, net of tax' in the consolidated statement of profit or loss.

Clifford Capital Pte. Ltd. was awarded the Pioneer Incentive – Services for a period of 10 years commencing from 1 January 2013 to 31 December 2022. Under the terms of the tax incentive granted, qualifying income derived from qualifying activities is exempted from corporate income tax in Singapore, subject to the Company satisfying certain terms and conditions.

Bayfront Infrastructure Management Pte. Ltd. and Bayfront Infrastructure Capital II Pte. Ltd. are approved under MAS Enhanced-Tier Fund Tax Incentive under Section 13X of the Income Tax Act on 3 April 2020 and 6 May 2021 respectively and further submission has been made for admission of Bayfront Infrastructure Capital III Pte. Ltd. under the same scheme on 11 August 2022. Under the terms of the incentive granted, qualifying income derived from qualifying activities is exempted under corporate income tax in Singapore, subject to the Company satisfying certain terms and conditions. The admission for Bayfront Infrastructure Capital III Pte. Ltd. to the incentive scheme is currently pending approval by MAS as at the date of financial statement.

Unutilised tax losses carried forward from FY2021 of US$545,000 have been fully utilised as at 31 December 2022.

23 Derivative financial instruments

The table below sets out the notional principal amounts and the positive and negative fair value of the Group's outstanding derivative financial instruments at the reporting date.

Group	Notional principal amount US$'000	Positive fair value US$'000	Negative fair value US$'000
31 December 2022			
Interest rate swaps used for fair value hedge	1,174,617	2,496	76,482
Cross currency swaps used for fair value hedge	70,170	1,485	219
Foreign exchange forwards	1,280	28	37
	1,246,067	**4,009**	**76,738**
31 December 2021			
Interest rate swaps used for fair value hedge	1,077,094	23,515	8,738
Cross currency swaps used for fair value hedge	33,672	-	716
Foreign exchange forwards	933	-	9
	1,111,699	**23,515**	**9,463**

24 Leases

Leases as lessee

The Group leases its office premises. The lease typically run for a period of 5 years, with an option to renew the lease after that date. Lease payments are renegotiated every 3 years to reflect market rentals.

The Group leases IT equipment with a contract term of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased office premises that do not meet the definition of investment property are presented as property, plant and equipment.

Group	**Office premises and equipment US$'000**
At 1 January 2021	1,235
Depreciation charge for the year	(639)
At 31 December 2021	**596**
At 1 January 2022	596
Additions to right-of-use assets	2,496
Depreciation charge for the year	(657)
At 31 December 2022	**2,435**

Amounts recognised in profit or loss

	Office premises and equipment	
Group	**2022 US$'000**	**2021 US$'000**
Interest on lease liabilities	15	12
Expenses relating to leases of low-value assets	101	93

Amounts recognised in statement of cash flows

	Office premises and equipment	
Group	**2022 US$'000**	**2021 US$'000**
Total cash outflow for leases	681	689

25 Related parties

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Senior management charged with such authority and responsibility, as well as directors of the Group, are considered key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2022 US$'000	**2021 US$'000**
Directors' fees	975	917
Salaries, bonuses and other staff costs	5,586	5,027
Contributions to defined contribution plans	38	33
Other long-term benefits	2,527	2,144
	9,126	**8,121**

Other related party transactions

	Balance outstanding as at 31 December	
Group	**2022 US$'000**	**2021 US$'000**
Debt investments	86,118	135,482
Loans and advances	371,340	317,969
Interest receivable	1,721	1,603
Deferred income	2,392	2,029
Service fee income receivable from a joint venture	98	-
Company		
Service fee refund receivable from a subsidiary	-	196
Service fee payable to a subsidiary	(509)	-

	Transaction value for the year ended	
Group	**2022 US$'000**	**2021 US$'000**
Interest income	20,584	20,634
Other fee income	1,720	20
Service fee income from a joint venture	1,829	1,500

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within 1 month of the reporting date. None of the balances are secured.

During the financial year ended 31 December 2022, a number of loans were acquired from a related entity which a subsidiary of the Group acts as a sponsor and collateral manager for a total consideration of US$217,239,000.

26 Commitments

Loan commitments

Undrawn loan commitments comprise contractual obligations to provide credit facilities to customers for a fixed period. At 31 December 2022, the Group had undrawn loan commitments amounting to US$468,133,982 (2021: US$542,126,677).

Capital commitments

Pursuant to the Second Amended and Restated Limited Partnership Agreement between the Limited Partners and General Partner of Keppel-Pierfront Private Credit Fund, LP dated 15 November 2021, the Company has outstanding capital commitments with respect to Keppel-Pierfront Private Credit Fund, LP interests of US$56,682,750 (2021: US$59,462,259).

27 Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The Risk Committee reports regularly to the Board on its activities and is subject to the overall supervision of the Board.

The Risk Committee has the delegated authority from the Board to approve any portfolio acquisition or any single transaction related to the Group's lending, investments, divestments, participation in tenders and bids and to approve any relevant foreign exchange or interest rate transactions for hedging or mitigating market risk at a portfolio level up to limits approved by the Board. The Risk Committee also reviews overall portfolio performance periodically.

In addition, a management level Credit Committee was established to approve lending commitments and divestments up to pre-set limits as delegated by the Risk Committee, such limits being set to enable the Credit Committee to approve loan transactions in the ordinary course of business.

The Group's Risk Framework, Policies and Processes ("RFPP"), which have been approved by the Risk Committee, were established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The RFPP is reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Chairman of the Board and Risk Committee will review and approve all related party transactions according to the Group's Related Party Transactions Approval Framework.

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from debt investments and loans and advances.

The Group has robust processes in place to assess the credit risk of new loans and investments and actively monitors exposure to credit risk on an on-going basis.

The carrying amounts of financial assets represent the Group's and the Company's maximum exposures to credit risk.

Impairment losses on financial assets recognised in profit or loss were as follows:

Group	**2022 US$'000**	**2021 US$'000**
Impairment loss on debt investments at amortised cost	3,059	207
Impairment loss on loans and advances at amortised cost	10,552	10,885
	13,611	**11,092**

Investments and loans and advances

The Group's primary business is commercial lending and is thus exposed to credit risks from loans to and debt securities issued by corporate customers. The Group applies the Risk Committee's approved RFPP in the evaluation of all new investments, loans and advances. The internal credit rating methodologies are an integral part of the Group's RFPP and are used to determine the likelihood and size of losses arising from a loan default. These methodologies take into account many factors such as qualitative factors and financial metrics of the counterparty, country risk, legal enforceability, structural protection and security package in its credit risk assessment. These assessments are used in the decision-making process, credit approval, monitoring, reporting and internal assessment of the adequacy of impairment allowance. Credit risk is managed to achieve optimal risk-reward performance whilst maintaining exposures within acceptable risk appetite parameters.

The amount of allowance for impairment is inherently uncertain, being sensitive to changes in economic and credit conditions of the counterparties, their place of operations and the sectors in which they operate. It is possible that actual events may differ from the assumptions used in the rating and assessment methodologies and computation.

Exposure to credit risk

The Group reviews the credit concentration of debt investments and loans and advances based on industry sectors.

The exposure to credit risk for debt investments and loans and advances at reporting date by industry sectors was at follows:

	Group			
	2022 Carrying amount		**2021 Carrying amount**	
	US$'000	**%**	**US$'000**	**%**
Infrastructure	1,993,669	61	1,369,486	52
Natural resources	266,637	8	276,214	11
Offshore marine	707,967	22	641,168	24
Shipping	250,605	8	316,375	12
Others	43,181	1	22,568	1
	3,262,059	**100**	**2,625,811**	**100**

There is no concentration of credit risk at the Group and Company level.

Expected credit loss assessment

Debt investments and loans and advances at amortised cost and loans and advances at FVOCI are categorised as follows:

- Pass/Special mention: Pass refers to assets with timely repayment and do not exhibit any potential weakness in repayment capability, business, cash flow or financial position of the borrower. Special Mention includes assets with potential weakness, if not corrected on a timely basis, may adversely affect repayment by the borrower at a future date and warrant close attention.
- Substandard/Doubtful: Includes assets with definable weakness that may jeopardise repayment on existing terms. Specifically, it includes "Watchlist – Stressed" and Stage 3 assets.
- Loss: Refers to outstanding credit facility that is not collectable, and little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower generally.

The following tables provide information about the exposure to credit risk and ECLs for debt investments and loans and advances at amortised cost and loans and advances at FVOCI.

Group	**Stage 1 US$'000**	**Stage 2 US$'000**	**Stage 3 US$'000**	**Total US$'000**
2022				
Debt investments at amortised cost				
Pass/Special mention	185,503	89,858	-	275,361
Gross carrying amount	**185,503**	**89,858**	**-**	**275,361**
Impairment loss allowance	(1,307)	(3,741)	-	(5,048)
Carrying amount	**184,196**	**86,117**	**-**	**270,313**
Loans and advances at amortised cost				
Pass/Special mention	2,835,466	104,697	-	2,940,163
Substandard/Doubtful	-	-	93,316	93,316
Gross carrying amount	**2,835,466**	**104,697**	**93,316**	**3,033,479**
Impairment loss allowance	(12,035)	(1,583)	(28,115)	(41,733)
Carrying amount	**2,823,431**	**103,114**	**65,201**	**2,991,746**
Total carrying amount	**3,007,627**	**189,231**	**65,201**	**3,262,059**
2021				
Debt investments at amortised cost				
Pass/Special mention	278,979	-	-	278,979
Gross carrying amount	**278,979**	**-**	**-**	**278,979**
Impairment loss allowance	(1,988)	-	-	(1,988)
Carrying amount	**276,991**	**-**	**-**	**276,991**
Loans and advances at amortised cost				
Pass/Special mention	2,215,268	64,431	-	2,279,699
Substandard/Doubtful	-	-	145,170	145,170
Gross carrying amount	**2,215,268**	**64,431**	**145,170**	**2,424,869**
Impairment loss allowance	(6,310)	(1,821)	(67,918)	(76,049)
Carrying amount	**2,208,958**	**62,610**	**77,252**	**2,348,820**
Total carrying amount	**2,485,949**	**62,610**	**77,252**	**2,625,811**

Movements in allowance for impairment in respect of debt investments and loans and advances at amortised costs and loans and advances at FVOCI

The following significant changes contributed to the changes in ECL balances during the financial year ended 2022:

- recovery of a Stage 3 loans and advances resulted in a derecognition of lifetime ECL credit impaired; and
- downgrade of an investment from Stage 1 to Stage 2 resulted in an increase in lifetime ECL not credit-impaired.

The following table presents an analysis of the credit quality of debt investments and loans and advances at amortised cost and loans and advances at FVOCI. It indicates whether assets measured at amortised cost or FVOCI were subject to a 12-month ECL or lifetime ECL allowance and, in latter case, whether they were credit impaired.

Group	**12-month ECL US$'000**	**Lifetime ECL not credit-impaired US$'000**	**Lifetime ECL credit impaired US$'000**	**Total US$'000**
2022				
Debt investments at amortised cost				
Balance as at 1 January	1,988	-	-	1,988
Net measurement of loss allowance	(1,192)	3,741	-	2,549
New financial assets originated or purchased	511	-	-	511
At 31 December	**1,307**	**3,741**	**-**	**5,048**
Loans and advances at amortised cost				
Balance as at 1 January	6,310	1,821	67,918	76,049
Net measurement of loss allowance	1,608	(238)	5,065	6,435
New financial assets originated or purchased	4,117	-	-	4,117
Financial assets that have been derecognised	-	-	(44,868)	(44,868)
At 31 December	**12,035**	**1,583**	**28,115**	**41,733**
2021				
Debt investments at amortised cost				
Balance as at 1 January	1,855	-	-	1,855
Net measurement of loss allowance	67	-	-	67
New financial assets originated or purchased	140	-	-	140
Financial assets that have been derecognised	(74)	-	-	(74)
At 31 December	**1,988**	**-**	**-**	**1,988**

Group	12-month ECL US$'000	Lifetime ECL not credit-impaired US$'000	Lifetime ECL credit impaired US$'000	Total US$'000
2021				
Loans and advances at amortised cost				
Balance as at 1 January	5,865	1,990	63,965	71,820
Net measurement of loss allowance	(503)	(169)	10,608	9,936
New financial assets originated or purchased	948	-	-	948
Financial assets that have been derecognised	-	-	(6,655)	(6,655)
At 31 December	**6,310**	**1,821**	**67,918**	**76,049**
Debt investments at FVOCI				
Balance as at 1 January	959	-	-	959
Net measurement of loss allowance	(959)	-	-	(959)
At 31 December	**-**	**-**	**-**	**-**

Derivatives

Derivatives are entered into with regulated bank and financial institution counterparties with a high credit rating. In addition, concentration risk to any one counterparty as well as the total exposure limits of the Group are considered before entering any derivative instrument.

Cash and cash equivalents

Cash and cash equivalents are placed with regulated financial institutions with high credit ratings.

Impairment on cash and cash equivalents has been measured on the 12 months expected loss basis and reflects the short maturities of the exposures. The Group considers its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities and contractual commitments to its customers and counterparties that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities and commitments when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's approach to managing liquidity risk is to maintain a diversified and flexible funding base and is currently funded from equity, bonds, commercial papers, infrastructure asset-backed securities and bank loans. Other than maintaining an adequate level of cash and cash equivalents to meet expected operational expenses and the servicing of financial obligations, the Group also maintains committed and uncommitted lines of credit with banks and financial institutions which serves as a counterbalancing capacity to meet any potential cash shortfalls.

The Group monitors and manages its funding requirement by projecting cashflows of both contractual and forecasted assets and liabilities. Any net funding requirement is identified and addressed by ensuring adequate liquidity sources are available to meet the forecasted cash flow shortfall.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting arrangements:

Group	Carrying amount US$'000	Contractual cash flows US$'000	6 months or less US$'000	6-12 months US$'000	1-2 years US$'000	2-5 years US$'000	More than 5 years US$'000
2022							
Non-derivative financial liabilities							
Unsecured bond issues	1,612,761	(1,896,378)	(20,328)	(20,328)	(340,656)	(993,316)	(521,750)
Unsecured commercial papers	402,828	(403,857)	(403,857)	-	-	-	-
Notes issued	690,327	(869,692)	(62,303)	(52,699)	(122,960)	(336,233)	(295,497)
Unsecured bank loans	417,952	(421,812)	(421,812)	-	-	-	-
Lease liabilities	2,471	(2,663)	(456)	(456)	(911)	(840)	-
Other liabilities	40,021	(40,021)	(39,566)	-	(376)	(79)	-
	3,166,360	**(3,634,423)**	**(948,322)**	**(73,483)**	**(464,903)**	**(1,330,468)**	**(817,247)**
Derivative financial instruments							
Interest rate swaps used for fair value hedge (net-settled)	76,482	(60,883)	(17,273)	(18,550)	(21,358)	(5,747)	2,045
Cross currency swaps used for fair value (net-settled)	219	(1,057)	306	101	(169)	(1,295)	-
	76,701	**(61,940)**	**(16,967)**	**(18,449)**	**(21,527)**	**(7,042)**	**2,045**
2021							
Non-derivative financial liabilities							
Unsecured bond issues	1,603,728	(1,789,470)	(17,231)	(117,231)	(32,382)	(982,549)	(640,077)
Unsecured commercial papers	625,602	(625,710)	(625,710)	-	-	-	-
Notes issued	359,418	(389,213)	(25,416)	(20,379)	(46,054)	(148,006)	(149,358)
Unsecured bank loans	32,000	(32,008)	(32,008)	-	-	-	-
Lease liabilities	633	(638)	(343)	(286)	(3)	(6)	-
Other liabilities	24,483	(24,483)	(22,142)	(799)	(1,266)	(276)	-
	2,645,864	**(2,861,522)**	**(722,850)**	**(138,695)**	**(79,705)**	**(1,130,837)**	**(789,435)**

Group	Carrying amount US$'000	Contractual cash flows US$'000	6 months or less US$'000	6-12 months US$'000	1-2 years US$'000	2-5 years US$'000	More than 5 years US$'000
2021							
Derivative financial instruments							
Interest rate swaps used for fair value hedge (net-settled)	8,738	(17,788)	1,088	(1,231)	(6,048)	(11,597)	-
Cross currency swaps used for fair value hedge (net-settled)	716	(541)	10	49	(103)	(497)	-
Foreign exchange forwards	9	(9)	(1)	(1)	(2)	(5)	-
	9,463	**(18,338)**	**1,097**	**(1,183)**	**(6,153)**	**(12,099)**	**-**

The maturity analyses show the contractual undiscounted cash flows of the Group and the Company's financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows or outflows disclosed represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled.

The interest payments on variable interest rate loans and bond issues in the table above reflect market forward interest rates at the period end and these amounts may change as market interest rate changes. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Committee. Generally the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which income, expenses, receivables and borrowings, including inter-company transactions and balance, that are denominated in a currency other than the respective functional currencies of Group entities. The functional currency of Group entities is USD. The foreign currencies in which these transactions primarily are denominated are the Singapore dollar ("SGD"), Australian dollar ("AUD") and Euro ("EUR").

In assessing its exposure to foreign currency risk, the Group adopts a holistic approach, taking into account timing and size of the underlying exposure, including any natural economic hedge if the cash inflow in a foreign currency matches some of the cash flows used by the underlying operation of the Group. Exposure to currency risk is monitored on an ongoing basis and the Group's policy is to keep the net exposure to an acceptable level. In managing its exposure to foreign currency risk, the Group may use derivative instruments such as foreign currency forwards and currency swaps. The Group does not have significant exposure to foreign currency risk as at the reporting date.

Interest rate risk

Interest rate risk is the impact to earnings and economic value of the Group due to fluctuations in interest rates. Interest rate exposure may arise from mismatches in the maturity profile or the benchmark rates of the Group's interest bearing assets and liabilities. The Group adopts a portfolio approach in evaluating and managing its interest rate risk under its Strategic Asset Liability Management Framework which has been approved by the Board. This framework sets out the measurement methods and the risk tolerance limits. In managing its interest rate exposure, the Group may use various methods and instruments, including derivatives such as interest rate swaps and treasury locks, to mitigate its interest rate risk. Exposure to interest rate risks are monitored on an ongoing basis and regularly reported to the Risk Committee and the Board to ensure consistency with the Group's risk appetite.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from interest rate benchmark reform, then the Group assumes for this purpose that the benchmark interest rate is not altered as a result of the interest rate benchmark reform.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- differences in repricing dates between the swaps and the borrowings.

Hedging relationships that are impacted by interest rate benchmark reform may experience ineffectiveness because of uncertainty about when and how replacement may occur for the relevant hedged item and hedging instrument due to the interest rate benchmark reform transition.

Managing interest rate benchmark reform and associated risks

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("IBORs") with alternative nearly risk-free rates (referred to as "interest rate benchmark reform"). The Group has significant exposure to certain IBORs on its financial instruments that are being reformed as part of these market-wide initiatives.

The main risks to which the Group has been exposed as a result of interest rate benchmark reform are operational. For example, the renegotiation of contracts through bilateral negotiation with customers and counterparty banks, updating of contractual terms, updating of systems that use IBOR curves and revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

A cross-functional IBOR working group has been established at the Company to manage the transition to alternative rates for its subsidiaries and equity-accounted investees. The objective of the IBOR working group includes evaluating the extent to which loans and advances, loan commitments, liabilities and derivatives reference IBOR cash flows, whether such contracts need to be amended as a result of interest rate benchmark reform and how to manage communication about interest rate benchmark reform with counterparties. The IBOR working group reports to the Group Exco and Risk Committee and collaborates with other business functions as and when needed, providing reports to support the management of interest rate risk and to identify operational risks arising from interest rate benchmark reform.

For contracts indexed to an IBOR that mature after the expected cessation of the IBOR rate, the IBOR working group has established policies to amend the contractual terms, including the addition of fallback clauses or replacement of the IBOR rate with an alternative benchmark rate.

The Group monitors the progress of transition from IBORs to a new benchmark rates by reviewing the total amounts of contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate (and referred to as an "unreformed contract") when interest under the contract is indexed to a benchmark rate that is still subject to interest rate benchmark reform, even if it includes a fall back clause that deals with the cessation of the existing IBOR.

As of 31 December 2022, the Group has exposure to USD LIBOR, which is in the progress of being transitioned to SOFR. The following table shows the total amounts of unreformed floating rate financial assets and liabilities, undrawn loan commitments and derivatives as of 31 December 2022.

Group	**2022 US$'000**	**2021 US$'000**
Variable rate instruments		
Non-derivative financial assets	2,179,799	2,090,353
Non-derivative financial liabilities	(319,796)	(699,358)
Undrawn loan commitments	421,091	381,583
Derivatives (notional)		
Hedging derivatives	974,617	1,077,094

Exposure to interest rate risk

At the reporting date, the interest rate profile of interest-bearing financial instruments, was as follows:

	Notional amount			
	Group		**Company**	
	2022 US$'000	**2021 US$'000**	**2022 US$'000**	**2021 US$'000**
Fixed rate instruments				
Financial assets	1,040,612	992,584	31,200	20,000
Financial liabilities	(2,341,810)	(2,226,344)		-
Interest rate swaps	(24,617)	(27,093)		-
	1,325,815	**(1,260,853)**	**31,200**	**20,000**
Variable rate instruments				
Financial assets	2,736,594	2,161,073	500	10,225
Financial liabilities	(1,066,173)	(383,100)	-	-
Interest rate swaps	1,174,617)	1,050,000	-	-
Cross currency swaps	70,170	60,765	-	-
	2,915,208	**2,888,738**	**500**	**10,225**

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	2022				2022				During the Period - 2022	
	Nominal amount $'000	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Line item in the statement of financial position where the hedging instrument is included**	**Carrying amount of hedged item recognised in the statement of financial position $'000**	**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of hedged item recognised in the statement of financial position $'000**	**Line item in the statement of financial position where the hedged item is included**	**Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness $'000**	**Hedge ineffectiveness recognised in profit or loss $'000**	**Line item in profit or loss that includes hedge ineffectiveness**
Interest rate risk										
Interest rate swaps – Fixed rate bond issuances	1,150,000	-	76,482	Derivative Financial Liabilities	(1,222,645)	76,482	Loans and borrowings	-	-	Other income
Interest rate swaps – Fixed rate loans and advances	24,617	2,496	-	Derivative Financial Asset	21,690	(2,496)	Loans and advances	-	-	-
Foreign currency risk										
Cross currency swaps - foreign currency denominated loans and advances	32,702	1,485	-	Derivative Financial Assets	30,971	(1,485)	Loans and advances	-	-	Other income
Cross currency swaps - foreign currency denominated loans and advances	37,468	-	219	Derivative Financial Liabilities	37,057	219	Loans and advances	-	-	Other income

	2021				2021			During the Period - 2021		
	Nominal amount $'000	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Line item in the statement of financial position where the hedging instrument is included**	**Carrying amount of hedged item recognised in the statement of financial position $'000**	**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of hedged item recognised in the statement of financial position $'000**	**Line item in the statement of financial position where the hedged item is included**	**Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness $'000**	**Hedge ineffectiveness recognised in profit or loss $'000**	**Line item in profit or loss that includes hedge ineffectiveness**
Interest rate risk										
Interest rate swaps – Fixed rate bond issuances	550,000	23,424	-	Derivative Financial Assets	(722,662)	(23,249)	Loans and borrowings	(310)	(310)	Other income
Interest rate swaps – Fixed rate bond issuances	500,000	-	8,738	Derivative Financial Liabilities	(490,914)	8,658	Loans and borrowings	(79)	(79)	Other income
Interest rate swaps – Fixed rate loans and advances	27,093	91	-	Derivative Financial Asset	26,707	(91)	Loans and advances	-	-	-
Foreign currency risk										
Cross currency swaps - foreign currency denominated loans and advances	33,672	-	716	Derivative Financial Liabilities	33,203	399	Loans and advances	(537)	(537)	Other income

Fair value sensitivity analysis for fixed rate instruments

The Group designates a portion of its fixed rate financial liabilities as a hedged item and accounts for them at FVTPL, and the Group designates the corresponding derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not have a material impact to profit or loss.

For the financial year ended 31 December 2021, the Group classifies a debt investment mandatorily at FVTPL, and the implied yield to maturity is a significant input to the valuation technique of this investment. An increase or decrease of 100 basis points in interest rates would have decreased or increased equity by approximately US$3,610,000 and US$3,995,000 respectively for the Group. This analysis assumes that all other variables, remain constant. During the financial year ended 31 December 2022, this debt investment was redeemed at par.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
Group	**100 bp increase US$'000**	**100 bp decrease US$'000**
31 December 2022		
Variable rate instruments	29,152	(29,152)
31 December 2021		
Variable rate instruments	28,887	(28,887)
Company		
31 December 2022		
Variable rate instruments	5	(5)
31 December 2021		
Variable rate instruments	102	(102)

Master netting or similar agreements

The Group enters into derivative transactions under ISDA master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances – e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

Group	Note	Gross amounts of recognised financial instruments US$'000	Gross amounts of recognised financial instruments offset in the statement of financial position US$'000	Net amounts of financial instruments included in the statement of financial position US$'000	Related financial instruments that are not offset US$'000	Net amount US$'000
31 December 2022						
Derivative financial instruments						
Interest rate swaps used for hedging	23	2,496	-	2,496	-	2,496
Cross currency swaps used for hedging	23	1,486	-	1,486	-	1,486
Foreign exchange forwards	23	28	-	28	-	28
Interest rate swaps used for hedging	23	(76,482)	-	(76,482)	-	(76,482)
Cross currency swaps used for hedging	23	(219)	-	(219)	-	(219)
31 December 2021						
Derivative financial instruments						
Interest rate swaps used for hedging	23	23,515	-	23,515	-	23,515
Cross currency swaps used for hedging	23	(716)	-	(716)	-	(716)
Interest rate swaps used for hedging	23	(8,738)	-	(8,738)	-	(8,738)

Hedge accounting

Fair value hedges

The Group held the following interest rate swaps as hedging instruments in fair value hedges to hedge exposures to changes in interest rates.

	Maturity	
Group	**6-12 months**	**More than 1 year**
31 December 2022		
Interest rate swaps		
Nominal amount (US$'000)	-	2,496
Average fixed interest rate	-	5.327%
Nominal amount (US$'000)	-	(76,482)
Average fixed interest rate	-	2.243%

Group	**Maturity** 6-12 months	**Maturity** More than 1 year
31 December 2021		
Interest rate swaps		
Nominal amount (US$'000)	981	13,705
Average fixed interest rate	2.080%	1.844%

The interest rate swap hedges relate to unsecured bond issued designated as hedged items of carrying amount of US$1,222,645,000 (2021: US$1,213,576,000).

The Group held the following instruments to hedge exposures to changes in foreign currency and interest rates.

Group	**Maturity** More than 1 year
31 December 2022	
Cross currency swaps	
Net exposure (US$'000)	(219)
AUD/USD swap rate	0.7106
Net exposure (US$'000)	1,485
EUR/USD swap rate	1.0616
31 December 2021	
Cross currency swaps	
Net exposure (US$'000)	(716)
AUD/USD swap rate	0.7106

The cross-currency swap hedges relate to loans and advances designated as hedged items of carrying amount of US$68,027,000 (2021: US$33,203,000).

Capital management

The Group's capital management objectives are to maintain an optimal capital structure that supports the Group's business growth, safeguard itself against adverse situations and delivers sustainable returns to shareholders. Capital consists of share capital and accumulated profits. The Board maintains an oversight of the capital management process by periodically reviewing the Group's capital allocation, gearing, liquidity and funding sources to enhance shareholder's returns while ensuring that the Group's liquidity requirements and financial covenants in connection with its borrowings are met at all times. Ongoing reporting on capital position is provided to the Board.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

28 Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value		
Group	**Fair value – hedging instruments US$'000**	**Financial assets at amortised cost US$'000**	**Other financial liabilities US$'000**	**Total carrying amount US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**
31 December 2022							
Financial assets							
Cash and cash equivalents	-	551,680	-	551,680	-	-	-
Debt investments	-	270,313	-	270,313	-	250,695	-
Loans and advances	-	2,991,746	-	2,991,746	-	-	3,081,555
Derivative financial assets	4,009	-	-	4,009	-	4,009	-
Other assets *	-	34,039	-	34,039	-	-	-
	4,009	**3,847,778**	**-**	**3,851,787**			
Financial liabilities							
Unsecured bond issues	-	-	1,612,761	1,612,761	-	1,574,036	-
Unsecured bank loans	-	-	417,952	417,952	-	-	417,952
Unsecured commercial papers	-	-	402,828	402,828	-	-	402,828
Notes issued	-	-	690,327	690,327	-	-	695,434
Lease liabilities	-	-	2,471	2,471	-	-	-
Derivative financial liabilities	76,738	-	-	76,738	-	76,738	-
Other liabilities *	-	-	40,021	40,021	-	-	-
Provisions	-	-	5,727	5,727	-	-	-
	76,738	**-**	**3,172,087**	**3,248,825**			

* *Non-financial assets and liabilities have been excluded from these balances.*

Group	Mandatorily at FVTPL US$'000	Fair value – hedging instruments US$'000	Financial assets at amortised cost US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000
	Carrying amount					**Fair value**		
31 December 2021								
Financial assets								
Cash and cash equivalents	-	-	479,007	-	479,007	-	-	-
Debt investments	47,407	-	276,991		324,398	-	284,168	47,407
Loans and advances	-	-	2,348,820	-	2,348,820	-	-	2,396,850
Derivative financial assets	-	23,515	-	-	23,515	-	23,515	-
Other assets *	-	-	17,902	-	17,902	-	-	-
	47,407	**23,515**	**3,122,720**	**-**	**3,193,642**			
Financial liabilities								
Unsecured bond issues	-	-	-	1,603,728	1,603,728	-	1,642,308	-
Unsecured bank loans	-	-	-	32,000	32,000	-	-	32,000
Unsecured commercial papers	-	-	-	625,602	625,602	-	-	625,602
Notes issued	-	-	-	359,418	359,418	-	-	361,100
Lease liabilities	-	-	-	633	633	-	-	-
Derivative financial liabilities	-	9,463	-	-	9,463	-	9,463	-
Other liabilities *	-	-	-	21,755	21,755	-	-	-
Provisions	-	-	-	8,079	8,079	-	-	-
	-	**9,463**	**-**	**2,651,215**	**2,660,678**			

* *Non-financial assets and liabilities have been excluded from these balances.*

Company	Mandatorily at FVTPL US$'000	Fair value – hedging instruments US$'000	Financial assets at amortised cost US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000
	Carrying amount					**Fair value**		
31 December 2022								
Financial assets								
Cash and cash equivalents	-	-	31,700	-	31,700	-	-	-
Other assets	-	-	366	-	366	-	-	-
	-	**-**	**32,066**	**-**	**32,066**			
Financial liabilities								
Other liabilities	-	-	-	536	536	-	-	-
31 December 2021								
Financial assets								
Cash and cash equivalents	-	-	30,225	-	30,225	-	-	-
Other assets	-	-	1	-	1	-	-	-
	-	**-**	**30,226**	**-**	**30,226**			
Financial liabilities								
Other liabilities	-	-	-	92	92	-	-	-

Measurement of fair values

Financial assets and financial liabilities not carried at fair value but for which fair values are disclosed

For loans and advances, fair values are estimated using discounted cash flow method.

For bank loans and commercial papers, the basis of arriving at fair values is by discounting cash flows using the relevant market interest rates for the respective currencies.

For investment debt securities and unsecured bond issues issued, fair values are determined based on independent market quotes, where available. Where market prices are not available, fair values are estimated using discounted cash flow method.

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

	Group US$'000
At 1 January 2021	423,468
Purchases	77,133
Total unrealised gains recognised in profit or loss	7,335
Reclassification of financial assets	(460,529)
At 31 December 2021	**47,407**
At 1 January 2022	47,407
Purchases	-
Total unrealised gains recognised in profit or loss	-
Reclassification of financial assets	-
Redeemed during the year	(47,407)
At 31 December 2022	**-**

Valuation techniques and significant unobservable inputs

For level 3 instruments with a significant unobservable input of yield to maturity and cost to income ratio, an increase in the significant unobservable input would decrease the fair value.

The following table provide the representative range of minimum and maximum values of each significant unobservable input for level 3 assets by the related valuation technique most significant to the related financial instrument.

Classification	**Fair value US$'000**	**Valuation technique**	**Unobservable input**	**Change in input**	**Min value US$'000**	**Max value US$'000**
Group						
31 December 2022						
Loans and advances	1,743,191	Income approach	Implied yield to maturity	+/- 1%	1,738,209	1,750,744
Loans and advances	1,338,364	Discounted cash flow approach	Cost to income ratio	+/- 2%	1,336,105	1,340,622

Classification	Fair value US$'000	Valuation technique	Unobservable input	Change in input	Min value US$'000	Max value US$'000
Group						
31 December 2021						
Loans and advances	1,652,857	Income approach	Implied yield to maturity	+/- 1%	1,644,234	1,662,310
Loans and advances	743,993	Discounted cash flow approach	Cost to income ratio	+/- 2%	742,919	745,068
Debt investments	47,407	Income approach	Implied yield to maturity	+/- 1%	43,797	51,403

Yield to maturity (issue spread)

For financial instruments where issue spread is the significant unobservable input, the issue spread is determined by taking into account the comparable bonds and the investment at issue date. The issue spread considers liquidity, credit rating and maturity date mismatches. At each subsequent valuation date, adjustments will be made to reflect any variation in comparable bonds market yields and any material improvement or deterioration of the operating performance of the assets compared to its selected peers.

Cost to income ratio

For financial instruments where cost to income ratio is the significant unobservable input, the ratio is determined by taking into account the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

The fair valuation is determined via discounting at risk free rate of future risk adjusted cashflow or economic profit. It considers credit spread and interest rate risk of the assets. At each subsequent valuation date, adjustments will be made to reflect any variation in market data and any improvement or deterioration of the assets.

29 Non-current assets and liabilities

Assets and liabilities other than those disclosed below are current:

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Assets				
Investments	270,313	324,398	-	-
Loans and advances	2,954,927	2,157,790	-	-
Deferred tax assets	3,062	238	-	-
Subsidiaries	-	-	480,903	449,403
Associates and joint ventures	63,738	58,913	58,011	50,491
Other assets	1,956	22,785	-	-
Property, plant and equipment and intangible assets	4,193	2,472	-	-
	3,298,189	**2,566,596**	**538,914**	**499,894**
Liabilities				
Loans and borrowings	2,304,752	1,880,133	-	-
Other liabilities	77,723	9,463	-	-
Provisions	3,324	4,722	-	-
	2,385,799	**1,894,318**	**-**	**-**

30 Involvement with unconsolidated structured entities

The Group acts as a sponsor and collateral manager to a structured entity that the Group does not consolidate but in which it holds an interest. The following table describes the type and nature of the structured entity:

Type of structured entity	Nature and purpose	Interest held by the Group	Group 2022 US$'000	Group 2021 US$'000
Securitisation vehicle for project and infrastructure finance loans	To generate fees from the Group's role as a sponsor and collateral manager	- investment in notes issued by the vehicle	-	47,407
		- interest income	1,431	3,017

The maximum exposure to loss is the carrying amount of the investment in the structured entity.

During the financial year ended 31 December 2022, the structured entity was redeemed at par.

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