Statement of financial position
As at 31 December 2015

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>1,653,000</td>
<td>1,653,000</td>
</tr>
<tr>
<td>Reserves</td>
<td>(22,785)</td>
<td>(9,762)</td>
</tr>
<tr>
<td>Accumulated profits</td>
<td>264,783</td>
<td>192,379</td>
</tr>
<tr>
<td><strong>Total equity attributable to owner of the Bank</strong></td>
<td>2,194,999</td>
<td>1,835,517</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits and balances of banks</td>
<td>30</td>
<td>492</td>
</tr>
<tr>
<td>Deposits of non-bank customers</td>
<td>28,646,441</td>
<td>29,655,479</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>18,068</td>
<td>26,779</td>
</tr>
<tr>
<td>Bills and drafts payable</td>
<td>67,067</td>
<td>63,118</td>
</tr>
<tr>
<td>Amounts due to related parties</td>
<td>14,385</td>
<td>15,155</td>
</tr>
<tr>
<td>Current tax payable</td>
<td>23,312</td>
<td>35,409</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>948,982</td>
<td>477,849</td>
</tr>
<tr>
<td>Subordinated notes</td>
<td>784,000</td>
<td>784,000</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>858</td>
<td>4,690</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>30,754,385</td>
<td>31,202,513</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>32,949,383</td>
<td>33,038,130</td>
</tr>
</tbody>
</table>

Assets
- Cash and balances with central bank | 768,679 | 921,784 |
- Singapore government securities and treasury bills | 2,952,746 | 2,442,817 |
- Other government securities and treasury bills | 646,406 | - |
- Derivative financial instruments | 15,262 | 53,665 |
- Debt securities | 1,723,131 | 2,061,066 |
- Loans and advances to banks | 3,429 | 25,977 |
- Loans and advances to customers | 25,156,059 | 26,000,342 |
- Bills receivable | 140,877 | 71,187 |
- Amounts due from related parties | 1,107,404 | 1,009,957 |
- Other assets | 104,619 | 120,165 |
- Property and equipment | 3,413 | 3,413 |
- Goodwill and intangible assets | 309,461 | 318,079 |
| **Total assets** | 32,949,383 | 33,038,130 |

Notes to the financial statements
The notes form an integral part of the audited financial statements and a full understanding of the statements cannot be achieved without reference to the complete set of financial statements. It can be obtained upon request from our branches.

Statement of profit or loss
Year ended 31 December 2015

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Interest income</td>
<td>698,725</td>
<td>701,750</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(215,253)</td>
<td>(180,825)</td>
</tr>
<tr>
<td><strong>Net interest income</strong></td>
<td>483,472</td>
<td>520,925</td>
</tr>
<tr>
<td>Fee and commission income</td>
<td>282,766</td>
<td>301,268</td>
</tr>
<tr>
<td>Fee and commission expense</td>
<td>(51,366)</td>
<td>(60,086)</td>
</tr>
<tr>
<td><strong>Net fee and commission income</strong></td>
<td>231,400</td>
<td>241,182</td>
</tr>
<tr>
<td>Dealing profits and foreign exchange income</td>
<td>24,294</td>
<td>51,038</td>
</tr>
<tr>
<td>Other income</td>
<td>10,262</td>
<td>2,004</td>
</tr>
<tr>
<td><strong>Total non-interest income</strong></td>
<td>285,956</td>
<td>294,224</td>
</tr>
<tr>
<td>Income before operating expenses</td>
<td>749,428</td>
<td>615,149</td>
</tr>
<tr>
<td>Staff costs</td>
<td>(213,477)</td>
<td>(224,511)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(319,904)</td>
<td>(296,179)</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>(532,381)</td>
<td>(520,690)</td>
</tr>
<tr>
<td>Operating profit before impairment loss on financial assets</td>
<td>217,047</td>
<td>294,459</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>(124,219)</td>
<td>(110,340)</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>92,828</td>
<td>184,119</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(20,424)</td>
<td>(36,072)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>72,404</td>
<td>148,047</td>
</tr>
</tbody>
</table>

Capital Adequacy Ratio
The table below shows the composition of the Bank’s regulatory capital and its capital adequacy ratios, determined according to the requirements of MAS Notice 637.

<table>
<thead>
<tr>
<th></th>
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<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Common Equity Tier 1 (“CET 1”) Capital</td>
<td>1,778,763</td>
<td>1,534,232</td>
</tr>
<tr>
<td>Non-cumulative redeemable preference shares</td>
<td>300,000</td>
<td>-</td>
</tr>
<tr>
<td>Regulatory adjustments</td>
<td>(174,353)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Additional Tier 1 (“AT 1”) Capital</strong></td>
<td>1,254,407</td>
<td>-</td>
</tr>
<tr>
<td><strong>Tier 1 Capital</strong></td>
<td>1,904,410</td>
<td>1,534,232</td>
</tr>
<tr>
<td>Subordinated notes</td>
<td>784,000</td>
<td>784,000</td>
</tr>
<tr>
<td>Portfolio impairment provisions</td>
<td>53,431</td>
<td>53,431</td>
</tr>
<tr>
<td><strong>Tier 2 Capital</strong></td>
<td>837,907</td>
<td>837,907</td>
</tr>
<tr>
<td><strong>Eligible Total Capital</strong></td>
<td>2,742,317</td>
<td>2,371,663</td>
</tr>
<tr>
<td><strong>Risk-Weighted Assets</strong></td>
<td>15,598,777</td>
<td>17,067,760</td>
</tr>
</tbody>
</table>

Capital Adequacy Ratios
- Common Equity Tier 1 | 11.40% | 8.99%
- Tier 1 | 12.21% | 8.99%
- Total | 17.69% | 13.90%

Auditors’ report
We have audited the accompanying financial statements of Standard Chartered Bank (Singapore) Limited (the “Bank”), which comprise:
- the statement of financial position as at 31 December 2015, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS66.

Management’s responsibility 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 Singapore Companies Act, Chapter 50 (the “Act”) and Singapore Financial Reporting 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.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements, The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements that give a true and fair view 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards, so as to give a true and fair view of the financial position of the Bank as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Bank for the year ended on that date.

Report on other legal and regulatory requirements
In our opinion, the accounting and other records required by the Act to be kept by the Bank have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and Chartered Accountants
Singapore
31 March 2016