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香港投資者謹請注意：發行人及擔保人確認債券（定義見下文）擬僅供專業投資者（定義見上市規則第37章）購買，且已經按該基準於香港聯合交易所有限公司上市。因此，發行人及擔保人均確認債券不適合作為香港零售投資者之投資。投資者應審慎考慮所涉及的風險。

於香港聯合交易所有限公司 刊發發售通函

於2031年到期的港幣2,338,000,000元0.75厘的有擔保可轉換債券（「債券」）
（股份代號：40066）

CSSC CAPITAL 2015 LIMITED

（於英屬維爾京群島註冊成立的商業有限公司）

（作為「發行人」）

由

中国船舶集团(香港)航运租赁有限公司
CSSC (HONG KONG) SHIPPING COMPANY LIMITED

CSSC (Hong Kong) Shipping Company Limited

中國船舶集團(香港)航運租賃有限公司

(於香港註冊成立的有限公司)

(股份代號：3877)

(作為「擔保人」)

無條件及不可撤銷地擔保

本公告乃根據上市規則第37.39A條刊發。

請參閱本公告隨附的日期為2026年1月26日的發售通函(「**發售通函**」)。發售通函僅以英文刊發，並無刊發發售通函的中文版。

誠如發售通函所述，債券擬僅供專業投資者(定義見上市規則第37章)購買，且已按該基準於香港聯合交易所有限公司上市。

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香港，2026年1月29日

於本公告日期，發行人董事成員為安毅先生、郭居先生及王東良先生。

於本公告日期，擔保人董事會包括執行董事李洪濤先生及劉輝先生，非執行董事謝衛忠先生及遲本斌先生，及獨立非執行董事王德銀先生、盛慕嫻女士BBS, JP及李洪積先生。

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Restrictions: The attached Offering Circular is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached Offering Circular is not complete and may be changed.

THE SECURITIES DESCRIBED IN THE ATTACHED OFFERING CIRCULAR HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO THE SECURITIES ACT.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

Except with respect to eligible investors in jurisdictions where such offer or invitation is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Issuer, the Guarantor, the Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers or any of their respective affiliate is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Manager or such affiliate on behalf of the Issuer and the Guarantor in such jurisdiction.

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CSSC CAPITAL 2015 LIMITED*(a business company incorporated in the British Virgin Islands with limited liability)***HK\$2,338,000,000 0.75 per cent. Guaranteed Convertible Bonds due 2031****Unconditionally and Irrevocably Guaranteed****中国船舶集团(香港)航运租赁有限公司****CSSC (HONG KONG) SHIPPING COMPANY LIMITED****CSSC (HONG KONG) SHIPPING COMPANY LIMITED****(中國船舶集團(香港)航運租賃有限公司)***(Incorporated in Hong Kong with limited liability)***(Hong Kong Stock Exchange Stock Code: 3877)****Issue Price: 100.00 per cent.**

The HK\$2,338,000,000 0.75 per cent. Guaranteed Convertible Bonds due 2031 (the “**Bonds**,” which term shall include, unless the context requires otherwise, any further bonds issued in accordance with the terms and conditions of the Bonds set out in “*Terms and Conditions of the Bonds*” (the “**Conditions**” and each of the Conditions, a “**Condition**”) and consolidated and forming a single series therewith) will be issued by CSSC Capital 2015 Limited (the “**Issuer**”) and guaranteed by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司) (the “**Guarantor**”) on 28 January 2026 (the “**Issue Date**”). The issue price of the Bonds shall be 100.00 per cent. of the aggregate principal amount of the Bonds and the denomination of the Bonds shall be HK\$2,000,000 and integral multiples thereof.

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.75 per cent. per annum, payable quarterly in arrear in equal instalments of HK\$3,750 per Calculation Amount (as defined below) on 28 January, 28 April, 28 July and 28 October in each year, beginning on 28 April 2026. The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(A)) unsecured obligations of the Issuer, and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and regulations and subject to Condition 4(A), at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations of the Issuer. The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds (the “**Guarantee**”). The payment obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable laws and regulations and subject to Condition 4(A), at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Guarantor. Subject as provided in the Conditions, each Bondholder (as defined in the Conditions) will have the right to convert any Bonds held by it into ordinary shares of the Guarantor, as further described in Condition 6 (the “**Shares**”) at any time during the Conversion Period (as defined in the Conditions). The price at which Shares will be issued upon conversion (the “**Conversion Price**”) will initially be HK\$2.39 per Share. The Conversion Price is subject to adjustment in accordance with the Conditions. The Shares are listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) under stock code 3877.

Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions, the Issuer will redeem each Bond at its principal amount together with accrued and unpaid interest thereon on 28 January 2031 (the “**Maturity Date**”). On giving not less than 30 nor more than 60 days’ notice to the Principal Agent and the Trustee in writing and to the Bondholders in accordance with Condition 11 (which notice will be irrevocable), the Issuer may redeem in whole, but not in part the Bonds for the time being outstanding at their principal amount, together with the interest accrued and unpaid up to but excluding the date fixed for redemption (a) on the occurrence of certain tax-related events as described in Condition 8(C) or (b) if, (i) at any time after 11 February 2029 but prior to the Maturity Date, the Closing Price of a Share for any 20 Trading Days within a period of 30 consecutive Trading Days, the last of such Trading Day shall occur not more than 10 days prior to the date upon which notice of such redemption is given, was, for each such 20 Trading Days, at least 130 per cent. of the Conversion Price then in effect or (ii) at any time, provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (which shall for this purpose include any further Bonds issued pursuant to Condition 17) has already been converted, redeemed or purchased and cancelled as described in Condition 8(B). The holder of each Bond will have the right, at such holder’s option, to require the Issuer to redeem all or some only of such holder’s Bonds on the Optional Put Date (as defined in the Conditions) at their principal amount, together with the interest accrued and unpaid up to but excluding such Optional Put Date. Following the occurrence of a Relevant Event (as defined in the Conditions), the holder of each Bond will have the right at such holder’s option, to require the Issuer to redeem in whole or in part, such holder’s Bonds on the Relevant Event Put Date (as defined in the Conditions) at their principal amount, together with the interest accrued and unpaid up to but excluding such date (if any). See “*Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation*”.

So long as any Bond remains outstanding, the Guarantor undertakes to file or cause to be filed with the China Securities Regulatory Commission of the PRC (the “**CSRC**”) within the relevant prescribed timeframes after the Issue Date the requisite information and documents in respect of the Bonds and comply with the continuing obligations in accordance with the CSRC Filing Rules (as defined in the Conditions) and any implementation rules, reports, certificates, approvals or guidelines as issued by the CSRC from time to time. The Guarantor shall file or cause to be filed the CSRC Filing Report (as defined in the Conditions) and other requisite information and documents in respect of the Bonds that are required to be filed with the CSRC within three Registration Business Days (as defined in the Conditions) after the Issue Date in accordance with the CSRC Filing Rules (the “**Initial CSRC Post-Issuance Filing**”).

Application will be made to the Hong Kong Stock Exchange for (i) the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) (“**Professional Investors**”) only; and (ii) the listing of, and permission to deal in, the Shares issuable on conversion, and such permissions are expected to become effective on 29 January 2026 and when such Shares are issued, respectively. This Offering Circular is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and the Guarantor confirm that the Bonds are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer and the Guarantor confirm that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Hong Kong Stock Exchange has not reviewed the contents of this Offering Circular, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Offering Circular to Professional Investors only have been reproduced in this Offering Circular. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Bonds or the Issuer, the Guarantor, the Group (as defined below) or quality of disclosure in this Offering Circular. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

Investing in the Bonds and the Shares involves certain risks. Investors should be aware that there are risks relating to the exercise of Conversion Rights of the Bonds, and there are various other risks relating to the Bonds, the Issuer, the Guarantor, their business and their respective jurisdiction of operations which investors should familiarise themselves with before making an investment in the Bonds. See “*Risk Factors*” beginning on page 11.

The Bonds are not intended to be initially placed and may not be initially placed to “connected persons” of the Issuer or the Guarantor as defined in the Listing Rules (“**Connected Persons**”). Each holder of the Bonds (and the beneficial owners of the Bonds, if applicable) will be deemed to have represented to the Issuer, the Guarantor and the Managers that it is not a Connected Person of the Issuer and the Guarantor and will not after completion of the subscription of the Bonds be a Connected Person of the Issuer and the Guarantor. Each prospective investor will be deemed to have agreed with the Issuer, the Guarantor and the Managers that it may, to the extent required by the Listing Rules and/or the Hong Kong Stock Exchange and/or the Hong Kong Securities and Futures Commission (the “**SFC**”), disclose information about such potential investor (including but not limited to its name, company registration number and the number of Bonds allotted to it) to certain parties. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

The Bonds and the Shares to be issued upon conversion of the Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds and the Shares to be issued upon conversion of the Bonds may only be offered outside the United States in reliance on Regulation S under the Securities Act. For a description of these and certain further restrictions on offers and sales of the Bonds and the Shares to be issued upon conversion of the Bonds and the distribution of this Offering Circular, see “*Subscription and Sale*”.

The Bonds will initially be represented by a global certificate (the “**Global Certificate**”) registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”), and together with Euroclear, the “**Clearing Systems**”). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

Joint Bookrunners, Joint Global Coordinators and Joint Lead Managers**China International Capital Corporation****CITIC Securities****(in alphabetical order)****The Offering Circular is dated 26 January 2026.**

TABLE OF CONTENTS

	Page
SUMMARY	1
THE OFFERING	2
SUMMARY CONSOLIDATED FINANCIAL INFORMATION	8
RISK FACTORS	11
USE OF PROCEEDS	38
CAPITALISATION AND INDEBTEDNESS	39
DESCRIPTION OF THE ISSUER	40
DESCRIPTION OF THE GROUP	41
DIRECTORS AND SENIOR MANAGEMENT	68
PRC LAWS AND REGULATION	72
PRINCIPAL SHAREHOLDERS	82
TERMS AND CONDITIONS OF THE BONDS	83
DESCRIPTION OF THE GLOBAL CERTIFICATE	125
TAXATION	128
DESCRIPTION OF THE SHARES	132
MARKET PRICE INFORMATION	140
DIVIDENDS	141
SUBSCRIPTION AND SALE	142
GENERAL INFORMATION	148

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITIES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER, THE GUARANTOR OR ANY OF THEIR SUBSIDIARIES OR THAT THE INFORMATION SET FORTH IN THIS OFFERING CIRCULAR IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**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 Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Bonds 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 European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, 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 the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer, the Guarantor and the Group. The Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

The Issuer and the Guarantor, having made all reasonable enquiries, confirm that to its best knowledge and belief (i) this Offering Circular contains all information with respect to the Issuer, the Guarantor and their respective subsidiaries taken as a whole (collectively, the “**Group**”), the Bonds, the Shares and the Guarantee which is material in the context of the issue, offering, sale and distribution of the Bonds, the

issue of the New Shares upon conversion of the Bonds and the giving of the Guarantee (including all information which is required by applicable laws and which, according to the particular nature of the Issuer, the Guarantor, the Group, the Bonds, the Shares and the Guarantee, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer, the Guarantor and the Group and the rights attaching to the Bonds, the Shares and the Guarantee), (ii) the statements contained in this Offering Circular are true and accurate and do not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements, in light of the circumstances under which they have been made, not misleading, (iii) the opinions and intentions expressed in this Offering Circular are, with regard to the Issuer, the Guarantor and to the Group, honestly and reasonably held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other material facts in relation to the Issuer, the Guarantor, the Group or the Bonds the omission of which would, in the context of the issue and offering of the Bonds and the issue of the New Shares upon the conversion of the Bonds make any statement, opinion or intention expressed in this Offering Circular misleading, (v) all reasonable enquiries have been made by each of the Issuer and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements in this Offering Circular.

This Offering Circular has been prepared by the Issuer and the Guarantor solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of China International Capital Corporation Hong Kong Securities Limited and CLSA Limited (in alphabetical order) (the “**Managers**”), the Issuer or the Guarantor to subscribe for or purchase any of the Bonds. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor and the Managers to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the Shares deliverable upon conversion of the Bonds or the distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the Shares deliverable upon conversion of the Bonds, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see “*Subscription and Sale.*” By purchasing the Bonds, investors are deemed to have represented and agreed to all of those provisions contained in that section of this Offering Circular. This Offering Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for, or otherwise acquire, the Bonds. Distribution of this Offering Circular to any person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorised. Each prospective investor, by accepting delivery of this Offering Circular, is deemed to have agreed to the foregoing and to make no photocopies of this Offering Circular or any documents referred to in this Offering Circular.

No person has been or is authorised to give any information or to make any representation concerning the Issuer, the Guarantor, the Group, the Bonds or the Shares other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor, the Managers, China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as the trustee (the “**Trustee**”) or the Agents (as defined in the Conditions), or any of their respective directors, officers, employees, agents, representatives, advisers, affiliates or any person who controls any of them. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Guarantor, the Group or any of them since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Managers, the Trustee or the Agents, or any of their

respective directors, officers, employees, agents, representatives, advisers, affiliates or any person who controls any of them to subscribe for or purchase any of the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful. This Offering Circular is not intended to invite offers to subscribe for or purchase Shares.

This Offering Circular is being furnished by the Issuer and the Guarantor in connection with the offering of the Bonds solely for the purpose of enabling a prospective investor to consider purchasing the Bonds and is exempt from registration under the Securities Act. Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Issuer and the Guarantor and other sources identified in this Offering Circular. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than the consideration of an investment in the Bonds offered by this Offering Circular is prohibited. By accepting delivery of this Offering Circular each investor is deemed to have agreed to these restrictions.

None of the Managers, the Trustee, or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them has independently verified the information contained in this Offering Circular. Nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by the Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them. This Offering Circular is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Guarantor, the Managers, the Trustee or the Agents or any of the respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them that any recipient of this Offering Circular should purchase the Bonds.

Each person receiving this Offering Circular acknowledges that it has not relied on the Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision, and such person must rely on its own examination of the Issuer, the Guarantor, the Group, and the merits and risks involved in investing in the Bonds. See “*Risk Factors*” below for a discussion of certain factors to be considered in connection with an investment in the Bonds.

To the fullest extent permitted by law, none of the Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular and assumes no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement, made or purported to be made by the Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them or on their behalf in connection with the Issuer, the Guarantor, the Group or the issue and offering of the Bonds. Each of the Managers, the Trustee and the Agents and their respective affiliates, officers, employees, agents, representatives, directors and advisers or any person who controls any of them accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Offering Circular or any such statement. None of the Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them undertakes to review the results of operations, financial condition or affairs of the Issuer, the Guarantor, or the Group during the life of the arrangements contemplated by this Offering Circular or to advise any investor or prospective investor in the Bonds of any information coming to the attention of the Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors or advisers or any person who controls any of them.

IN CONNECTION WITH THE ISSUE OF THE BONDS, THE MANAGERS MAY OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE MANAGERS (OR ANY PERSON ACTING ON ITS BEHALF) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE MANAGERS (OR ANY PERSON ACTING ON THEIR BEHALF) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

In connection with the offering of the Bonds, the Managers and/or their respective affiliates, or affiliates of the Issuer or the Guarantor may act as investors and place orders, receive allocations and trade the Bonds for their own account and such orders, allocations or trading of the Bonds may be material. These entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer and the Guarantor, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the offering of the Bonds should be read as including any offering of the Bonds to the Managers and/or their affiliates, or affiliates of the Issuer or affiliates of the Guarantor as investors for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Bonds may be impacted.

Prospective investors should not construe anything in this Offering Circular as legal, business or tax advice. Each prospective investor should determine for itself the relevance of the information contained in this Offering Circular and consult its own legal, business and tax advisers as needed to make its investment decision and determine whether it is legally able to purchase the Bonds under applicable laws or regulations.

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 Bonds, including certain Managers, are “capital market intermediaries” (together, the “CMI”) 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.

The CMIs also act as “overall coordinators” (together, the “OC”) 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, the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association (an “**Association**”) with the Issuer, the Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds 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 Manager, such prospective investor should indicate when

placing an order if it is for a fund or portfolio where the 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 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 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 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 Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Guarantor, 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.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared this Offering Circular using a number of conventions, which you should consider when reading the information contained herein. When we use the terms “**we**”, “**us**”, “**our**”, the “**Issuer**”, the “**Group**” and words of similar import, we are referring to CSSC Capital 2015 Limited itself, a business company incorporated in the British Virgin Islands with limited liability, or to CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司) itself, a company incorporated in Hong Kong and its consolidated subsidiaries, as the context requires.

Market data and certain industry forecast and statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although we believe this information to be reliable, it has not been independently verified by the Issuer, the Guarantor, the Managers, the Trustee or the Agents or any of their respective directors, officers, employees, agents, representatives, advisers or affiliates or any person who controls any of them and none of the Issuer, the Guarantor, the Manager, the Trustee or the Agents or any of their respective directors, officers, employees, agents, representatives, advisers or affiliates or any person who controls any of them makes any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. Due to possibly inconsistent collection methods and other problems, the statistics herein may be inaccurate and should not be unduly relied upon. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. This Offering Circular summarizes certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents. In making an investment decision, each investor must rely on its own examination of us and the terms of the offering and the Bonds, including the merits and risks involved.

In this Offering Circular, all references to “**USD**”, “**US\$**”, “**U.S.\$**” and “**U.S. dollars**” are to United States dollars, the official currency of the United States; all references to “**HK\$**”, “**H.K. dollars**”, “**Hong Kong dollars**” and “**HKD**” are to Hong Kong dollars, the official currency of the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**” or “**HK**”); all references to “**RMB**” or “**Renminbi**” are to the Renminbi, the official currency of the People’s Republic of China.

References to the “**PRC**”, “**China**”, “**Mainland of China**” and “**Mainland China**” are to the People’s Republic of China and, for the purposes of this Offering Circular, except where the context requires, do not include Hong Kong, the Macau Special Administrative Region of the People’s Republic of China (“**Macau**”) or Taiwan. The “**PRC government**” or the “**State**” means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governmental entities) and instrumentalities thereof, or, where the context requires, any of them.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.

FORWARD-LOOKING STATEMENTS

We have included in this Offering Circular forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This Offering Circular includes “forward-looking statements”. All statements other than statements of historical fact contained in this Offering Circular, including, without limitation, those regarding the Group’s future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where the Group participates or is seeking to participate, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “will”, “would”, “may”, “anticipate”, “seek”, “should”, “estimate” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Group’s control, which may cause its actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Important factors that could cause the Group’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- the risks inherent to the industry in which the Group operates;
- the business and operating strategies and the future business development of the Group;
- the general economic, political, social conditions and developments in the PRC;
- changes in competitive conditions and the Group’s ability to compete under these conditions;
- the Group’s operations and business prospects;
- the Group’s capital expenditure and development plans;
- the Group’s expectations with respect to its ability to acquire and maintain regulatory qualifications required to operate its business;
- the availability and charges of bank loans and other forms of financing;
- the Group’s financial condition and results of operations;
- the Group’s dividend distribution plans;
- changes in currency exchange rates;
- macroeconomic policies of the PRC government; and
- other factors beyond the Group’s control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in “*Risk Factors*” and elsewhere in this Offering Circular. The Issuer and the Guarantor caution investors not to place undue reliance on these forward-looking statements which reflect their managements’ view only as at the date of this Offering Circular.

None of the Issuer or the Guarantor undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur.

INCORPORATION BY REFERENCE

The following documents published on the website of the Hong Kong Stock Exchange at www.hkex.com.hk are deemed to be incorporated by reference into, and to form part of, this Offering Circular:

- (a) The audited consolidated financial statements of the Guarantor and its subsidiaries (the “**Group**”) as at and for the years ended 31 December 2023 and 2024 have been prepared and presented in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and was published on the website of the the Hong Kong Stock Exchange at www.hkex.com.hk on 28 April 2025; and
- (b) The consolidated financial information as at and for the six months ended 30 June 2024 and 2025 incorporated by reference has been derived from our unaudited condensed consolidated financial statements as at and for the six months ended 30 June 2025, which have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“**HKRES**”) as issued by the HKICPA and was published on the website of the the Hong Kong Stock Exchange at www.hkex.com.hk on 29 September 2025.

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the affairs of the Issuer, the Guarantor and the Group, as the case may be, since the date thereof or that the information contained therein is current as at any time subsequent to its date. Any statement contained therein shall be deemed to be modified or superseded for the purposes of this Offering Circular to the extent that a subsequent statement contained in another incorporated document herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

The documents incorporated herein by reference are available electronically through the internet from the Hong Kong Stock Exchange.

Prospective investors are advised to obtain and read the documents incorporated by reference herein before making their investment decision.

SUMMARY

This summary may not contain all of the information that may be important to you. You should read this entire Offering Circular before making an investment decision to purchase the Bonds.

Established in 2012, we are the only red-chip listed company under CSSC Group. We stand as the premier shipyard-affiliated leasing company in Greater China and are among the foremost ship leasing companies in the world. Leveraging our close relationship with CSSC Group which possesses a robust industrial foundation and extensive maritime industry expertise, we are dedicated to expanding our leasing and investment operations in vessels and marine equipment, offering tailored and adaptable integrated shipping services, along with financial solutions, to ship operators, shippers, and traders worldwide.

Our core business is the provision of leasing services which include finance leases and operating leases. Leveraging our strong expertise in the marine industry, our leasing services primarily focus on ship leasing. In addition, we provide shipbroking and loan services to our customers. We have a diversified, modern and young vessel fleet. As at 30 June 2025, our fleet size was 143 vessels, including 121 vessels in operation and 22 vessels under construction. As at 30 June 2025, the average age of our vessels in operation was approximately 4.13 years and the average remaining life of the bareboat and long-term chartered projects (excluding current operational projects and leases expiring within one year) was 7.64 years. As at 30 June 2025, in terms of initial investment amount, offshore clean energy equipment, container vessels, liquid cargo vessels, bulk carriers and specialized vessels accounted for approximately 14.7%, 17.4%, 23.1%, 23.1% and 21.7% of our operating fleet portfolio, respectively. Leveraging our unique insights into the marine industry, we carefully allocate and adjust our fleet size, enabling our fleet stock to become more valuable and younger and our fleet structure to be further optimized.

As a leading market player in the global ship leasing industry, we offer customized ship leasing solutions that are tailored to our customers' different needs. In terms of the amount of leased vessels and lease contracts in 2024, we were ranked seventh in China's ship leasing industry.

We have exerted notable influence in the operating lease and finance lease industries by integrating ESG concepts into our business operations. Serving the national strategy of "clean energy", we have built a high-tech fleet featuring clean energy offshore equipment. As of 31 December 2024, we received a total of 15 new vessels, including three 16,000 TEU container vessels, four 1,100 TEU container vessels, four 1,600 TEU container vessels, three 93,000 cubic meters VLGCs and one LR2 refined oil tanker. Through our persistent efforts and commitment to promote green energy, we are the first company in the ship leasing industry to build a complete offshore clean energy storage and transportation system. We also innovated in green finance with the issuance of green and blue dual-certified U.S.\$-denominated bonds. We won several awards under the Hong Kong Green and Sustainable Finance Awards from Hong Kong Quality Assurance Agency (HKQAA) in 2021 and 2023, including the Pioneering Award for ESG Disclosure Contribution in 2023. We were awarded a score of 45 from S&P CSA and an A ESG rating for 2024 from Wind. Our ESG efforts were recognized by the SASAC, CSSC Group and other parties. The Company was included as an exemplary case in the "Central State-owned Enterprises Listed Companies ESG Blue Book 2024".

In 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our total revenue amounted to HK\$3,208.2 million, HK\$3,626.1 million, HK\$4,034.4 million (U.S.\$513.9 million), HK\$1,965.8 million and HK\$2,018.0 million (U.S.\$257.1 million), respectively. For the same periods, our net profit was HK\$1,734.5 million, HK\$1,911.7 million, HK\$2,155.1 million (U.S.\$274.5 million), HK\$1,339.9 million and HK\$1,151.2 million (U.S.\$146.7 million), respectively.

THE OFFERING

The following summary contains basic information about the Bonds and is not intended to be complete. It does not contain all the information that is important to investors. The full Conditions are set out in the section of this Offering Circular entitled “Terms and Conditions of the Bonds.” Capitalised terms used in this summary and not otherwise defined shall have the meaning given to them in the Conditions.

Issuer	CSSC Capital 2015 Limited
GUARANTOR	CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司)
Bonds	HK\$2,338,000,000 0.75 per cent. guaranteed convertible bonds due 2031. The issue of the Bonds was authorised by a resolution of the Board of Directors of the Issuer passed on 20 January 2026 and by the sole shareholder of the Issuer on 12 January 2026. The guarantee of the Bonds and the right of conversion into Shares was authorised by the meeting of the board of directors of the Guarantor held on 12 January 2026.
Issue Price	The Bonds will be issued at 100.00 per cent. of their principal amount.
Issue Date	28 January 2026.
Interest	The Bonds will bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.75 per cent. per annum, payable quarterly in arrear in equal instalments of HK\$3,750 per Calculation Amount (as defined in the Conditions) on 28 January, 28 April, 28 July and 28 October in each year (each an “ Interest Payment Date ”), beginning on 28 April 2026.
Maturity Date	28 January 2031.
Status of the Bonds	The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(A)) unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and regulations and subject to Condition 4(A), at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations of the Issuer.
Status of the Guarantee .	The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds (the “ Guarantee ”). The payment obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable laws and regulations and subject to Condition 4(A), at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Guarantor

Conversion Right and Period	Subject as provided in the Conditions, each Bond shall entitle the holder to convert such Bond into Shares (as defined in Condition 6(A)(iv)) credited as fully paid (“ Conversion Right ”). Subject to and upon compliance with the provisions of Condition 6, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time (subject to any applicable fiscal or other laws or regulations and as provided in the Conditions) on or after 10 March 2026 up to (a) the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date falling ten days prior to the Maturity Date (both days inclusive) (but, except as provided in Condition 6(A)(iii), in no event thereafter) or (b) if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to the close of business (at the place aforesaid) on the date falling ten days prior to the date fixed for redemption thereof (both days inclusive) or (c) if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(D) or Condition 8(E), then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice requiring redemption (the “ Conversion Period ”) as further described in Condition 6(A).
Conversion Price	The price at which Shares will be issued upon the conversion of any Bond (the “ Conversion Price ”) will initially be HK\$2.39 per Share, but will be subject to adjustment in the manner described in Condition 6(C).
Negative Pledge	So long as any Bond remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will, and each of the Issuer and the Guarantor will ensure that none of its Subsidiaries will, create, or have outstanding any Security Interest (save for a Permitted Security Interest), upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, in any case without at the same time or prior thereto, according to the Bonds (i) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) such other security for the Bonds as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Bondholders.
Redemption at Maturity .	Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions, the Issuer will redeem each Bond at its principal amount together with accrued and unpaid interest thereon on 28 January 2031.

**Redemption for Taxation
Reasons**

The Issuer may redeem in whole, but not in part, at its option, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11 (which notice shall be irrevocable), on the date specified in the Tax Redemption Notice for redemption (the "**Tax Redemption Date**") at their principal amount, together with the interest accrued and unpaid up to but excluding such date (if any), if the Issuer satisfies the Trustee immediately prior to the giving of the Tax Redemption Notice that (a) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay Additional Tax Amounts (as defined and as provided or referred to in Condition 9) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction (as defined in the Conditions), or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 January 2026, and (b) such obligation cannot be avoided by the Issuer (or, as the case may be, the Guarantor) taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer (or, as the case may be, the Guarantor) would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due, as further described in Condition 8(C)(i).

If the Issuer gives a Tax Redemption Notice pursuant to Condition 8(C)(i), each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal, premium (if any) or interest (if any) to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable by the Issuer in respect thereof pursuant to Condition 9 and payment of all amounts by the Issuer to such holder in respect of such Bond(s) shall be made subject to the deduction or withholding of any tax required to be deducted or withheld, as further described in Condition 8(C)(ii).

**Redemption at the Option
of the Issuer**

On giving not less than 30 nor more than 60 days' notice to the Principal Agent and the Trustee in writing and to the Bondholders in accordance with Condition 11 (which notice will be irrevocable), the Issuer (i) at any time after 11 February 2029 but prior to the Maturity Date, provided that no such redemption may be made unless the Closing Price of a Share for any 20 Trading Days within a period of 30 consecutive Trading Days, the last of such Trading Day shall occur not more than 10 days prior to the date upon which notice of such redemption is given, was, for each such 20 Trading Days, at least 130 per cent. of the Conversion Price then in effect. If there shall occur an event giving rise to a change in the Conversion Price during any such 30 consecutive Trading Day period, appropriate adjustments for the relevant days approved by an Independent Investment Bank shall be made for the purpose of calculating the Closing Price of the Shares for such days; or (ii) at any time, provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (which shall for this purpose include any further Bonds issued pursuant to Condition 17) has already been converted, redeemed or purchased and cancelled.

Redemption at the Option of the Bondholders . . .	On 28 January 2029 (the “ Optional Put Date ”), the holder of each Bond will have the right at such holder’s option, to require the Issuer to redeem in whole or in part, the Bonds of such holder on the Optional Put Date at their principal amount, together with the interest accrued and unpaid up to but excluding such Optional Put Date. To exercise such right, the holder of the relevant Bond must complete, sign and deposit during usual business hours (being between 9:00 a.m. and 3:00 p.m. (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form scheduled to the Agency Agreement obtainable from the specified office of any Paying Agent together with the Certificate evidencing the Bonds to be redeemed not earlier than 60 days and not later than 30 days prior to the Optional Put Date, as further described in Condition 8(E).
Redemption for Relevant Events	Following the occurrence of a Relevant Event (as defined in the Conditions), the holder of each Bond will have the right, at such holder’s option, to require the Issuer to redeem in whole or in part, such holder’s Bonds on the Relevant Event Put Date at their principal amount, together with the interest accrued and unpaid up to but excluding such date (if any). To exercise such right, the holder of the relevant Bond must deposit during usual business hours (being between 9:00 a.m. and 3:00 p.m. (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form scheduled to the Agency Agreement, obtainable from the specified office of any Paying Agent, together with the Certificate evidencing the Bonds to be redeemed by not later than (i) 30 days following the occurrence of a Relevant Event, or, if later, (ii) 60 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 11, as further described in Condition 8(D).
Form and Denomination of Bonds	The Bonds will be issued in registered form in the denomination of HK\$2,000,000 and integral multiples thereof. Upon issue, the Bonds will be represented by the Global Certificate deposited with a common depositary for, and representing Bonds registered in the name of a nominee of, the Clearing Systems.
Events of Default	The Bonds will contain certain events of default in respect of the Issuer or the Guarantor (as the case may be), as further described in Condition 10. For a description of certain events of default that will permit the Bonds to become immediately due and repayable at their principal amount together with accrued and unpaid interest up to but excluding the date of payment, see “ <i>Terms and Conditions of the Bonds – Events of Default</i> ”.
Clearance	The Bonds will be cleared through the Clearing Systems. The Clearing Systems each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders.

Global Certificate	For as long as the Bonds are represented by the Global Certificate and the Global Certificate is held by a common depository, payments of principal and interest (if any) in respect of the Bonds represented by the Global Certificate will be made without presentation or, if no further payment falls to be made in respect of the Bonds, against presentation and surrender of the Global Certificate to or to the order of the Principal Agent for such purpose. The Bonds which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of the relevant Clearing System.
Selling Restrictions	There are restrictions on the offer, sale and/or transfer of the Bonds in, among others, the United States, the United Kingdom, the European Economic Area, Hong Kong, Singapore, Japan, the PRC and the British Virgin Islands. For a description of the selling restrictions on offers, sales and deliveries of the Bonds, see “ <i>Subscription and Sale</i> ”.
Listing	<p>Application will be made to the Hong Kong Stock Exchange for (i) the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only; and (ii) the listing of, and permission to deal in, the Shares issuable on conversion, and such permissions are expected to become effective on 29 January 2026 and when such Shares are issued, respectively.</p> <p>The Issuer has undertaken to apply to have the Shares, issuable upon conversion of the Bonds, approved for listing on the Hong Kong Stock Exchange and any Alternative Stock Exchange (as defined in Condition 6) on which its Shares are listed from time to time.</p>
Trustee	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Principal Agent	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Registrar and Transfer Agent.	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Governing Law	The Bonds and any non-contractual obligations arising out of or in connection with the Bonds will be governed by, and will be construed in accordance with, English law.
Jurisdiction	The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Agency Agreement and the Trust Deed and accordingly any legal action or proceedings arising out of or in connection with the Bonds, the Agency Agreement or the Trust Deed shall be brought in such courts.
Use of Proceeds	We intend to use the net proceeds from this offering, after deducting the underwriting commission and other estimated expenses payable by us, for working capital and general corporate purpose including but not limited to repayment of existing loans, payment of vessel purchase fees and other loan lending costs.

Lock-up Neither the Issuer, the Guarantor nor any person acting on their behalf will (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exercisable, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Managers between the date hereof and the date which is 90 days after the Issue Date (both dates inclusive); except for the issuance of the Bonds and the Shares to be issued on conversion of the Bonds (the “**New Shares**”) and any Shares or other securities (including rights or options) which are issued, offered, exercised, allotted, appropriated, modified or granted to, or for the benefit of employees (including directors) of the Guarantor or any of its subsidiaries pursuant to any employee share scheme or plan.

ISIN XS3268835496.

Common Code 326883549.

Note:

Concurrent with the issue of the Bonds, the Managers will conduct a delta placement of the shares of the Issuer to facilitate hedging for the investors participating in the offering (the “**Delta Placement**”).

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT/CONDENSED CONSOLIDATED INCOME STATEMENT

	Year ended 31 December				Six months ended 30 June		
	2022	2023	2024		2024	2025	
	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)	U.S.\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	U.S.\$'000 (Unaudited)
Revenue	3,208,242	3,626,148	4,034,369	513,938.9	1,965,771	2,017,965	257,068.9
Other income and other gains/ (losses), net	124,565	118,991	406,671	51,805.9	235,154	(17,618)	(2,244.4)
Expenses							
Finance costs and bank charges . . .	(760,216)	(1,106,305)	(1,047,554)	(133,448.1)	(515,642)	(416,021)	(52,997.0)
(Provision for)/reversal of impairment of loan and lease receivables, net	(90,260)	(91,167)	(446,968)	(56,939.3)	(105,664)	132,323	16,856.6
Depreciation	(476,724)	(492,937)	(578,716)	(73,722.7)	(280,936)	(297,993)	(37,961.4)
Employee benefits expenses	(124,696)	(106,306)	(105,268)	(13,410.1)	(31,022)	(28,669)	(3,652.1)
Vessel operating costs	(302,857)	(310,838)	(398,436)	(50,756.8)	(136,582)	(188,209)	(23,976.0)
Other operating expenses	(146,385)	(90,133)	(161,787)	(20,610.1)	(25,998)	(34,728)	(4,424.0)
Total expenses	(1,901,138)	(2,197,686)	(2,738,729)	(348,887.1)	(1,095,844)	(833,297)	(106,153.8)
Profit from operations	1,431,669	1,547,453	1,702,311	216,857.7	1,105,081	1,167,050	148,670.7
Share of results of joint ventures . .	348,214	426,653	490,103	62,434.3	263,789	131,328	16,729.9
Share of results of associates	(24,242)	(30,285)	(12,056)	(1,535.8)	(8,849)	(9,491)	(1,209.1)
Profit before income tax	1,755,641	1,943,821	2,180,358	277,756.1	1,360,021	1,288,887	164,191.5
Income tax expense	(21,131)	(32,154)	(25,215)	(3,212.1)	(20,161)	(137,730)	(17,545.4)
Profit for the year/period	1,734,510	1,911,667	2,155,143	274,544.0	1,339,860	1,151,157	146,646.1
Profit for the year/period attributable to:							
Equity holders of the Company . . .	1,684,909	1,901,606	2,105,663	268,240.7	1,327,318	1,105,585	140,840.6
Non-controlling interests	49,601	10,061	49,480	6,303.3	12,542	45,572	5,805.4
	1,734,510	1,911,667	2,155,143	274,544.0	1,339,860	1,151,157	146,646.1

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME/CONDENSED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Year ended 31 December				Six months ended 30 June		
	2022	2023	2024		2024	2025	
	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)	U.S.\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	U.S.\$'000 (Unaudited)
Profit for the year/period	1,734,510	1,911,667	2,155,143	274,544.0	1,339,860	1,151,157	146,646.1
Other comprehensive income/ (expenses) for the year/period							
<i>Items that will be reclassified subsequently to profit or loss:</i>							
– Exchange differences on translation of financial statements of foreign operations.	(115,020)	(24,070)	22,814	2,906.3	470	2,311	294.4
– Share of other comprehensive income of joint ventures, net . .	61,193	(14,574)	(4,479)	(570.6)	3,680	(11,925)	(1,519.1)
– Fair value change of financial assets at fair value through other comprehensive income (debt instruments)	(8,355)	484	46,504	5,924.2	5,979	8,294	1,056.6
– Fair value change of derivative financial instruments (cash flow hedges)	398,091	(173,158)	104,868	13,359.2	90,439	(40,765)	(5,193.1)
– Reclassification adjustment from hedging reserve to profit or loss	3,324	119,569	(135,705)	(17,287.5)	(72,356)	(55,652)	(7,089.5)
<i>Items that will not be reclassified subsequently to profit or loss:</i>							
– Fair value change of financial assets at fair value through other comprehensive income (equity instruments)	700	–	–	–	–	–	–
Total other comprehensive income/(expense) for the year/ period	339,933	(91,749)	34,002	4,331.5	28,212	(97,737)	(12,450.7)
Total comprehensive income for the year/period	<u>2,074,443</u>	<u>1,819,918</u>	<u>2,189,145</u>	<u>278,875.5</u>	<u>1,368,072</u>	<u>1,053,420</u>	<u>134,195.3</u>
Total comprehensive income for the year/period attributable to:							
Equity holders of the Company . . .	2,025,029	1,809,858	2,139,699	272,576.6	1,355,421	1,007,830	128,387.6
Non-controlling interests	<u>49,414</u>	<u>10,060</u>	<u>49,446</u>	<u>6,298.9</u>	<u>12,651</u>	<u>45,590</u>	<u>5,807.7</u>
	<u>2,074,443</u>	<u>1,819,918</u>	<u>2,189,145</u>	<u>278,875.5</u>	<u>1,368,072</u>	<u>1,053,420</u>	<u>134,195.3</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION/CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**

	As at 31 December				As at 30 June	
	2022	2023	2024		2025	
	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)	U.S.\$'000 (Unaudited)	HK\$'000 (Unaudited)	U.S.\$'000 (Unaudited)
Property, plant and equipment	15,924,752	16,227,335	16,394,376	2,088,482.1	16,099,700	2,050,943.3
Right-of-use assets	28,240	22,888	11,895	1,515.3	962	122.5
Interests in joint ventures	1,093,817	1,469,330	1,628,199	207,416.5	1,506,811	191,952.9
Interests in associates	52,429	97,372	190,238	24,234.4	184,140	23,457.6
Loan and lease receivables	20,610,300	23,734,332	20,714,833	2,638,865.8	20,201,368	2,573,455.5
Derivative financial assets	511,817	424,226	404,865	51,575.8	299,109	38,103.5
Prepayments, deposits and other receivables	40,459	1,161,296	214,057	27,268.8	244,763	31,180.4
Financial assets at fair value through profit or loss	686,726	296,157	457,312	58,257.0	473,538	60,324.1
Financial assets at fair value through other comprehensive income	94,478	427,768	1,678,735	213,854.3	1,687,029	214,910.9
Deferred tax assets	4,125	3,668	4,111	523.7	4,680	596.2
Amounts due from associates	29,715	24,740	37,810	4,816.6	36,254	4,618.4
Amounts due from joint ventures	52,792	109,197	275,218	35,060.1	282,386	35,973.2
Amounts due from fellow subsidiaries	2,047	3,186	–	–	–	–
Time deposits with maturity over three months	200,107	198,915	135,450	17,255.0	127,203	16,204.4
Pledged time deposits	7,628	5,144	–	–	–	–
Cash and cash equivalents	1,181,458	938,005	1,773,896	225,976.9	1,052,669	134,099.7
Total assets	40,520,890	45,143,559	43,920,995	5,595,102.5	42,200,612	5,375,942.6
Income tax payables	33,422	53,485	38,157	4,860.8	157,212	20,027.3
Borrowings	27,788,264	31,333,427	27,587,155	3,514,332.0	25,548,068	3,254,572.4
Derivative financial liabilities	–	98,291	195,801	24,943.1	145,561	18,543.0
Deferred tax liabilities	–	1,008	316	40.3	241	30.7
Amount due to a joint venture	207,172	207,794	–	–	–	–
Amounts due to non-controlling interests	168,227	162,383	131,884	16,800.7	131,884	16,800.7
Other payables and accruals	651,517	433,304	1,321,335	168,325.1	1,190,505	151,658.6
Lease liabilities	29,962	23,956	348,311	44,371.4	322,815	41,123.5
Total liabilities	28,878,564	32,313,648	29,622,959	3,773,673.4	27,496,286	3,502,756.2
Net assets	11,642,326	12,829,911	14,298,036	1,821,429.1	14,704,326	1,873,186.4
Share capital	6,614,466	6,615,789	6,695,690	852,965.0	6,713,880	855,282.2
Reserves	4,898,486	6,096,083	7,485,431	953,570.2	7,827,941	997,202.6
Non-controlling interests	129,374	118,039	116,915	14,893.8	162,505	20,701.5
Total equity	11,642,326	12,829,911	14,298,036	1,821,429.1	14,704,326	1,873,186.4

RISK FACTORS

Prior to making an investment decision, prospective investors should carefully consider the following risk factors, along with the other matters set out in this Offering Circular. PRC laws and regulations may differ from the laws and regulations in other countries. Additional risks not described below or not currently known to the Issuer or the Company or that the Issuer and the Company currently deem immaterial may also adversely affect the value of the Bonds. The Issuer and the Company believe that the risk factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Bonds may occur for reasons which may not be considered as significant risks by the Issuer or the Company based on information currently available to it or which it may not currently be able to anticipate or which the Issuer or the Company may currently deem immaterial. All of these factors are contingencies which may or may not occur and none of the Issuer and the Company is in a position to express a view on the likelihood of any such contingency occurring. The Issuer and the Company do not represent that the statements below regarding the risk factors of holding any Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

RISKS RELATING TO OUR BUSINESS

The value of our leased assets, and the other collateral or guarantees, may not be sufficient to compensate our losses when customer defaults.

As part of our risk management, we obtain ownership of the leased assets as security and/or require our customers to provide other collateral and guarantees (such as ship mortgages). In the event of a material breach by our customers, we are entitled to recover and dispose of the leased assets and/or enforce our security rights.

There is no assurance that the value of our leased assets, or the other collateral or guarantees, will be sufficient to compensate the loss that we may suffer as a result of our customers' default. The value of our leased assets or the other collateral or guarantees may significantly decline due to factors such as damage, wear and tear, age, excess market supply and reduced market demand. Any material deterioration in the business performance, financial condition and/or creditworthiness of our customers may also reduce the amount that we could recover. We cannot assure you that we will be able to obtain additional security from our customers in the event that the value of the leased assets, or the other collateral or guarantees, is insufficient to compensate our loss. Any decline in the value of our leased assets, or the other collateral or guarantees, or any failure to obtain additional security from our customers, may cause us to make additional allowance for or write off our non-performing assets, which may in turn materially and adversely affect our business, results of operations, financial condition and prospects.

Furthermore, given that we have no prior experience in enforcing our security rights against the collateral or guarantees, there is no assurance that we will be able to successfully enforce our security rights, or liquidate or otherwise realise the value of our leased assets upon our customers' default, in particular in circumstances where our security interests are subordinated to the rights of other third parties. The procedures for liquidating or otherwise realising the value of the collateral or guarantees may also be protracted. Any failure in realising the value of our leased assets, or the other collateral or guarantees, in a timely manner or at all may have a material adverse impact on our business, results of operations, financial condition and prospects.

Fluctuations in interest rates may have an adverse impact on our business.

Our finance lease income is generally priced on a floating rate basis and with reference to Secured Overnight Financing Rate ("SOFR") presently or London Interbank Offered Rate ("LIBOR") historically. Our finance lease income increased from HK\$784.5 million in 2022 to HK\$1,171.8 million in 2023 and further to HK\$1,219.7 million (U.S.\$155.4 million) in 2024. Our finance lease income

decreased from HK\$619.9 million for the six months in 2024 to HK\$550.0 million (U.S.\$70.1 million) for the same period in 2025. Our interest income from loan borrowings is also subject to fluctuations in interest rates. Our interest income from loan borrowings increased from HK\$524.0 million in 2022 to HK\$606.1 million in 2023, and decreased to HK\$545.2 million (U.S.\$69.4 million) in 2024. Our interest income from loan borrowings decreased from HK\$276.4 million for the six months ended 30 June 2024 to HK\$236.6 million (U.S.\$30.1 million) for the same period in 2025. Fluctuations in interest rates are subject to a number of factors beyond our control, such as economic environment and monetary policies. Any decrease in interest rates may reduce the amount of finance lease income and interest income from loan borrowings that we receive from our customers.

In addition, any changes in interest rates may have an impact on our borrowing and debt financing costs. In 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our finance costs and bank charges amounted to HK\$760.2 million, HK\$1,106.3 million, HK\$1,047.6 million (U.S.\$133.4 million), HK\$515.6 million and HK\$416.0 million (U.S.\$53.0 million), respectively. If interest rates present a rising trend in the future, our finance costs will increase accordingly.

While our finance lease income and interest income from loan borrowings may be positively affected by the increase in interest rates, such trend may also lead to an increase in our borrowing and debt financing costs, which shall have an adverse impact on our business, results of operations, financial condition and prospects.

Any payment default on the part of our customers may have an adverse impact on our results of operations.

Credit risk is one of our major risks. We cannot assure you that all our customers will be creditworthy or that they will fulfil their payment obligations on time or at all. Any adverse changes in our customers' operations, financial condition, liquidity and cash flow due to factors such as unfavourable industry or market developments as well as fluctuations in interest rates, foreign exchange rates and finance costs may affect their ability to fulfil their payment obligations to us in a timely manner. During the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024, our provision of impairment loss on loan and lease receivables was HK\$90.3 million, HK\$91.2 million, HK\$447.0 million (U.S.\$56.9 million) and HK\$105.7 million, respectively, while we recorded reversal of impairment loss on loan and lease receivables of HK\$132.3 million (U.S.\$16.9 million) for the six months ended 30 June 2025. If our customers fail to make payment to us on time or if they default in their payments, our liquidity, cash flow, business, results of operations, financial condition and prospects may be adversely affected.

Furthermore, our credit risk assessment may be limited by the comprehensiveness, quality and reliability of the credit information available at the material time. If we fail to accurately identify all credit risks associated with our customers, our business, results of operations, financial condition and prospects may be adversely affected.

Any significant deterioration in the quality of our loan receivables may materially and adversely affect our results of operations.

We are principally engaged in the provision of leasing and loan services, and our business growth is largely dependent on our ability to effectively manage and maintain the quality of our loan receivables. As at 30 June 2025, we made provision for impairment loss on loan receivables of HK\$67.4 million (U.S.\$8.6 million), which comprised 12-month expected credit loss of HK\$61.9 million (U.S.\$7.9 million) for assets under stage 1 and lifetime expected credit loss of HK\$5.5 million (U.S.\$0.7 million) and nil for assets under stage 2 and stage 3, respectively.

The quality of our loan receivables may deteriorate due to a number of reasons, such as global or regional economic slowdown, downturn, recession or instability, the occurrence of a global financial or credit crisis and other factors beyond our control. Furthermore, any adverse changes in our customers' operations, financial condition, liquidity and cash flow may affect their ability to fulfil their payment

obligations to us, thus resulting in an increase in our non-performing assets. These adverse changes may be due to factors such as unfavourable developments in the industries and markets in which our customers operate or are engaged, fluctuations in interest rates, foreign exchange rates and finance costs as well as an increase in operating costs. Any significant deterioration in the quality of our loan receivables may materially and adversely affect our business, results of operations, financial condition and prospects.

Our historical financial and operating results may not be indicative of our future performance.

For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our total revenue amounted to HK\$3,208.2 million, HK\$3,626.1 million, HK\$4,034.4 million (U.S.\$513.9 million), HK\$1,965.8 million and HK\$2,018.0 million (U.S.\$257.1 million), respectively. For the same periods, our net profit was HK\$1,734.5 million, HK\$1,911.7 million, HK\$2,155.1 million (U.S.\$274.5 million), HK\$1,339.9 million and HK\$1,151.2 million (U.S.\$146.6 million), respectively.

However, the trend of our historical financial information is a mere analysis of our past performance and does not have any positive implication on and may not necessarily reflect our future financial performance. There is no assurance that our short-term operating results are indication of our long-term prospects. There is also no assurance that our revenue and net profit will continue to achieve a similar level of growth rate or continue to grow in the future.

We relied on our major customers in 2022, 2023 and 2024 and the six months ended 30 June 2025.

Our customers generally include ship operators, shipbuilders and trading companies. In 2022, 2023 and 2024 and the six months ended 30 June 2025, our top five customers accounted for 49.7%, 51.8%, 48.9% and 54.6% of our total revenue, respectively. See “*Description of the Group – Our Customers*” in this Offering Circular for further details.

Any deterioration in the operating conditions or financial performance of our major customers may result in a delay and/or default in their payments to us. If any of our major customers fails to make timely payment to us or if they default in their payment obligations to us, our liquidity, cash flow, business, results of operations, financial condition and prospects may be adversely affected.

The value, lease rates and utilisation rates of our leased assets may significantly decline.

Our leased assets primarily include vessels. In addition to the factors relating to or affecting the entire marine industry, the value, lease rates and utilisation rates of our leased assets may decline due to a variety of factors, including but not limited to (i) the history and documented records of maintenance and operation; (ii) the age of the leased assets; (iii) the introduction or availability of more advanced marine technology; (iv) the regulatory regime in relation to the sale, purchase and/or re-leasing of leased assets; and (v) the market value of comparable assets. Any significant decline in the market value of our leased assets will impact their lease rates and utilisation rates, reduce the proceeds that we may receive from their sale as well as increase pressure on our attempts to sell or lease them.

Our lessees may not properly maintain or sufficiently insure our leased assets.

Under our leasing arrangements, our lessees are generally responsible for the maintenance and insurance of the leased assets during the lease term. There is no assurance that our lessees will, upon expiry of the lease term, return to us the leased assets in satisfactory condition. If our lessees fail to perform their maintenance obligations under the lease agreements or otherwise properly maintain the leased assets, we may have to incur substantial costs to restore these assets to an acceptable condition. The market value of such assets may also decrease due to their unsatisfactory condition, and we may not be able to re-lease or sell them on favourable terms. Any of the aforesaid circumstances may materially and adversely affect our business, results of operations, financial condition and prospects.

Furthermore, although our lessees are generally required under the lease agreements to obtain specified levels of insurance for and insure against losses resulting from the operation of the leased assets, there is no assurance that they will maintain adequate insurance coverage throughout the lease term or that they will pay the insurance premium in a timely manner. Inadequate insurance coverage or the failure to make timely premium payment will reduce the insurance proceeds that we may receive when we suffer a loss as a result of any damage to or our lessees' operation of the leased assets.

Our assets have finite economic useful lives and their value will depreciate over time.

Our assets primarily include vessels. Vessels are long-life assets and are subject to the risk of becoming obsolete, particularly if unanticipated events occur and shorten their economic useful lives. These events include but are not limited to (i) introduction of newer or more advanced models; (ii) changes in market demand or preferences; and (iii) changes in the regulatory framework or industry standards over marine safety and technical standards. If our existing vessels and those on order become obsolete, their selling price or lease rates may significantly decline, and our depreciation expenses or impairment charges may increase.

The value of our vessels depreciates and their demand decreases as they age. They also typically generate lower revenue and cash flow. If we are unable to replace our older vessels with newer models in a timely manner, our asset portfolio may become relatively less attractive and our competitiveness may weaken. Furthermore, if we sell any of our assets at a price lower than its depreciated book value, we may recognise a loss on such sale, which may materially and adversely affect our results of operations for the period in which such loss is recognised. Any of the aforesaid circumstances may materially and adversely affect our business, results of operations, financial condition and prospects.

We are exposed to foreign exchange risks.

During the course of our business, we hold a relatively small portion of our monetary funds in Hong Kong dollars, Renminbi and Euros. As such, we are exposed to foreign currency risks as a result of fluctuations in the exchange rate of Hong Kong dollars, Renminbi and Euros. For the six months ended 30 June 2025, our net foreign exchange gain recognised amounted to HK\$147.7 million (U.S.\$18.8 million). In the event of a significant change in the exchange rate of Hong Kong dollars, Renminbi and Euros or if our holdings of monetary funds in such currencies increase, we may record substantial foreign exchange loss, which may materially and adversely affect our business, results of operations, financial condition and prospects.

Our derivative financial instruments may materially and adversely affect our financial condition.

In 2022, 2023 and 2024 and the six months ended 30 June 2025, we purchased a number of derivative financial instruments to manage the fluctuations in exchange rates and interest rates. For the six months ended 30 June 2025, we had net loss recorded in the other comprehensive income due to changes in the fair value of derivative financial instruments which were qualified for hedging purposes of HK\$40.8 million (U.S.\$5.2 million).

Derivative financial instruments are initially recognised at fair value on the date on which they are entered into, and are subsequently re-measured at fair value. Any gain or loss arising from changes in the fair value of our derivative financial instruments that do not qualify for hedging purpose is directly recognised in our consolidated income statements. While we purchase derivative financial instruments for risk management and not speculative purposes, we will incur gain or loss as a result of changes in the fair value of derivative financial instruments. Such treatment of gain or loss may therefore cause volatility in our period-to-period earnings, and may have a material adverse impact on our business, results of operations, financial condition and prospects. Furthermore, our financial performance may be affected by the fair value of financial assets at fair value through profit or loss as well as valuation uncertainty due to the use of unobservable inputs.

Our business operations require substantial capital resources and we may not be able to obtain adequate financing for our business in the future.

Since we are principally engaged in the provision of leasing and loan services, which are capital intensive in nature, we require substantial working capital for our daily operations. In 2022, 2023 and 2024 and the six months ended 30 June 2025, we partially utilised cash generated from our borrowings to maintain our cash flow and finance our capital expenditure. As at 31 December 2022, 2023 and 2024 and 30 June 2025, our total bank borrowings amounted to HK\$17,611.7 million, HK\$18,436.0 million, HK\$12,829.3 million (U.S.\$1,634.3 million) and HK\$13,889.1 million (U.S.\$1,769.3 million), respectively.

In order to cope with our business growth, we expect that we will incur additional indebtedness in the future. Our ability to raise additional capital will depend on, among others, our business performance, market conditions and overall economic climate, and may be restricted by the restrictive covenants to which we may be subject under certain financial instruments. There is no assurance that we will be able to obtain bank borrowings and other external financing or resources on commercially acceptable terms or in a timely manner in the future. If we are unable to obtain the necessary financing or if we fail to obtain such financing on favourable terms due to factors beyond our control, we may be forced to curtail our expansion plans, and our business, results of operations, financial condition and prospects may be materially and adversely affected.

Our indebtedness may have a negative impact on our liquidity.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, our total bank borrowings amounted to HK\$17,611.7 million, HK\$18,436.0 million, HK\$12,829.3 million (U.S.\$1,634.3 million) and HK\$13,889.1 million (U.S.\$1,769.3 million), respectively. As at 30 June 2025, our bonds borrowings amounted to HK\$10,369.8 million (U.S.\$1,321.0 million).

Our level of indebtedness may (i) require us to allocate a higher portion of our cash flow from operations for the repayment of bank borrowings (including interest thereon), which may reduce the availability of our cash flow from operations to fund our working capital and capital expenditure and for other general corporate purposes; (ii) increase our vulnerability to adverse economic, industry and market conditions; (iii) limit our ability to pursue additional debt financing; (iv) reduce our flexibility in planning for or responding to changes in our business or the industry in which we operate; and (v) potentially restrict us from pursuing business opportunities. Furthermore, some of our creditors are entitled to, under certain financing agreements, require us to repay our debts early if any of the prepayment events occurs or arises. If we are required to repay our debts early, our liquidity, cash flow, business, results of operations, financial condition and prospects may be materially and adversely affected.

Our provision for impairment loss on loan receivables may not be adequate to cover our credit loss.

We make reversal of and provision for impairment loss on loan receivables in accordance with HKFRS Accounting Standards. As at 31 December 2022, 2023 and 2024 and 30 June 2025, we had provision for impairment loss on loan receivables of HK\$141.2 million, HK\$90.6 million, HK\$72.1 million (U.S.\$9.2 million) and HK\$67.4 million (U.S.\$8.6 million), respectively.

The amount of our provision for impairment loss on loan receivables is determined based on our internal provisioning policies and guidelines, taking into account considerations such as the operating and financial condition of our customers, our customers' creditworthiness, the nature and characteristics of the industry in which our customers operate, general economic and market conditions as well as the value of the underlying collateral and guarantees. In addition, our asset quality classification system and asset impairment loss provision policies may be different from those adopted by other leasing corporations or financial institutions. As the assessment of future credit risks involves significant judgement and estimation, we may underestimate such risks and our provision for impairment loss on

loan receivables may not be adequate to cover our actual credit loss. If we are required to make additional provision for impairment loss on loan receivables, our business, results of operations, financial condition and prospects may be materially and adversely affected.

Our short operating history may make the evaluation of our business and prospects difficult.

Our Group was established in 2012. Because of our relatively limited operating history, our past performance may not be indicative of our future performance, and there is no assurance that we will be able to maintain or achieve the same business growth in the future. In addition, because of (i) our relatively short operating history; (ii) the fact that our leasing projects are generally long-term projects ranging from five to 15 years, we have limited track record of completed projects, which may prevent you from having sufficient basis to fully assess our capabilities in managing, among others, the entire project cycle and our cash flow. We also have no prior experience in enforcing our security rights over the collateral or guarantees or foreclosing the leased assets. As a result, there may not be an adequate basis upon which our future results of operations and prospects could be evaluated. You should evaluate our business and prospects in light of the risks, uncertainties and challenges that we will face as a relatively young leasing service provider.

Our cash flow position may deteriorate because of potential mismatch in the time between cash inflows and cash outflows.

Our ability to repay our bank borrowings and to fund our vessel acquisitions depends to a certain extent on the level of our lease income and operating cash flow. There is no assurance that our business will generate steady and sufficient cash inflows to service the cash outflows for the repayment of bank borrowings and the purchase of vessels. There is also no assurance that our customers will make lease payments to us promptly. In circumstances of a mismatch in the time between cash inflows and cash outflows, we may not have sufficient cash inflows and financial resources to repay our bank borrowings or fund our purchase of vessels, which may hinder our business development and the implementation of our future plans. We may also need to obtain additional bank borrowings to meet our payment obligations. Any significant cash flow mismatch may materially and adversely affect our business, results of operations, financial condition and prospects.

For the years ended 31 December 2022 and 2024 and for the six months ended 30 June 2024 and 2025, we recorded net cash generated from operating activities of HK\$3,844.7 million, HK\$6,768.3 million (U.S.\$862.2 million), HK\$4,273.1 million and HK\$1,320.3 million (U.S.\$168.2 million), respectively, while we recorded net cash used in operating activities of HK\$452.2 million for the year ended 31 December 2023. There is no assurance that we will not record negative operating cash flow in the future. If we record negative operating cash flow in the future, the working capital for our operations may be constrained, which may materially and adversely affect our business, results of operations, financial condition and prospects.

We generated a portion of our net profit from non-recurring profit items in the six months ended 30 June 2025.

In the six months ended 30 June 2025, our share of results of joint ventures amounted to HK\$131.3 million (U.S.\$16.7 million) representing 11.4% of our net profit for the same period. We cannot assure you that such non-recurring gains will recur in the future. If such non-recurring gains do not recur in the future, our business, results of operations, financial condition and prospects may be materially and adversely affected.

Failure to retain the services of our key personnel may materially and adversely affect our business and results of operations.

Our success to date has largely been attributable to the contributions of our management team and key personnel. We rely on their substantial experience and specialised expertise in the leasing and/or marine industry to, among other matters, effectively manage our asset portfolio, continuously monitor our risk exposure as well as formulate and implement our business strategies. If we lose our key management

personnel without suitable and timely replacements or if we lose them to our competitors, our competitiveness, business, results of operations, financial condition and prospects may be materially and adversely affected.

In addition, our future growth and ability to implement our business strategies will depend on, among other factors, the successful recruitment and retention of experienced employees. We cannot assure you that we will be able to hire or retain such employees, and the failure to do so may materially and adversely affect our business, results of operations, financial condition and prospects.

There is no assurance that our risk management and internal control systems will effectively reduce our risk exposure and ensure compliance.

In order to monitor our risk exposure and ensure overall compliance, we have established certain risk management and internal control policies and procedures. However, there is no assurance that our risk management and internal control systems, policies and procedures are adequate or effective in mitigating our risk exposure and protecting us against unidentified, unforeseeable or unanticipated risks. There is also no assurance that the implementation of our risk management and internal control systems, policies and procedures will not involve human errors or mistakes. In particular, the assessment of our risk exposure may depend on our management's evaluation of market information and industry conditions, which may not be accurate, complete, up-to-date or properly analysed.

Any potential deficiency in our risk management and internal control systems or any failure in properly implementing the relevant policies and procedures may prevent us from effectively mitigating our risk exposure and promptly detecting instances of non-compliance, which may materially and adversely affect our business, results of operation, financial condition and prospects.

Our insurance coverage may not be sufficient to cover all risks involved in our business operations.

We have taken out insurance policies to cover certain risks generally associated with our business operations. There is no assurance that our current insurance coverage will be able to cover all types of risks involved in our business operations, or be sufficient to cover the full extent of losses, damages or liabilities arising therefrom. If we suffer any losses, damages or liabilities in the course of our business operations arising from events for which we do not have any or adequate insurance coverage, we will have to bear all or a certain portion of such losses, damages or liabilities. In such circumstances, our business, results of operations, financial condition and prospects may be materially and adversely affected.

In addition, there is no assurance that our insurance premiums will not increase or that we will not be required by law to obtain additional insurance coverage in the future. Any increase in insurance costs may materially and adversely affect our business, results of operations, financial condition and prospects.

Any disruption, malfunction or breakdown of our information technology infrastructure systems may interrupt our business operations.

Our business operations depend on the satisfactory performance, stability and reliability of our information technology infrastructure and related proprietary software. However, our information technology infrastructure and related proprietary software may experience disruption, malfunction, breakdown or other performance issues due to reasons such as (i) increasing pressure on our servers and network capacities as a result of growing customer base and expanding operations; (ii) undetected programming errors, bugs, flaws, corrupted data or other defects; (iii) hacking or other attacks on our network infrastructure and system programmes; and (iv) floods, fires, extreme temperatures, power loss, telecommunications failures, technical error, computer viruses or similar events. Any disruption, malfunction, breakdown or other performance issues of our information technology infrastructure and

related proprietary software may significantly disrupt our business operations and reduce our work efficiency, which may materially and adversely affect our business, results of operations, financial condition and prospects.

Our controlling shareholders are able to exercise significant influence over us.

CSSC International and CSSC Group are our controlling shareholders and are interested in approximately 74% of our Company's issued share capital as at 30 June 2025. Subject to our Articles of Association and the applicable laws and regulations, our controlling shareholders will continue to have the ability to exercise significant influence on our business and operations by, among others, controlling the composition of our Board, determining the timing and amount of our dividend payments, approving significant corporate transactions (including mergers and acquisitions), approving our annual budgets and taking other actions that require shareholders' approval.

There is no assurance that CSSC Group will continue to support us, and any changes in its control over us may have a material adverse effect on our business.

As the sole leasing company under CSSC Group, we have enjoyed strong support from CSSC Group. See "*Summary – Our Strengths*" and "*Summary – Our Strategies*" in this Offering Circular for details. Although, CSSC Group will not provide any guarantee or any form of credit enhancement for the offering of the Bonds and it has no obligation to and will not assist the Issuer or us to repay the Bonds, if CSSC Group ceases to support us, our business, results of operations, financial condition and prospects may be materially and adversely affected. In particular, some of our financing agreements require CSSC Group to remain as our controlling shareholder. In the event that CSSC Group ceases to be our controlling shareholder, our credit rating may decline and our finance costs may increase.

We may be adversely affected as a result of our provision of services that are connected to certain countries or persons that are, or become, subject to sanctions administered by the United States, the European Union, the United Nations, Australia and other relevant sanctions authorities.

The United States and other jurisdictions or organisations, including the European Union, the United Nations and Australia, have, through executive order, passing of legislation or other governmental means, implemented measures that impose economic sanctions against such countries or against targeted industry sectors, groups of companies or persons, and/or organisations.

In the first half of 2019, we entered into sale-and-leaseback transactions in respect of two vessels with a customer based in Hong Kong (the "**HK Customer**") . The HK Customer then chartered the vessels to a sub-charterer incorporated in France (the "**Sub-charterer**") for the purpose of delivering certain products for a construction project in Russia. Russia, as well as certain industry sectors and other persons located in Russia, is subject to various sanctions programmes administered by, among others, the United States and the European Union. The construction project in Russia is owned by a joint venture (the "**Russian Joint Venture**"). In 2019 and 2020, one of the joint venture parties (the "**Russian Joint Venture Partner**") was subject to targeted sanctions. However, our customer in the transactions relating to these two vessels was the HK Customer, and except for this sub-chartering arrangement by the HK Customer, we are not aware of any other back-to-back transactions, payments or arrangements of any kind, in USD or otherwise, among the Russian Joint Venture Partner, the Russian Joint Venture, the Sub-charterer and the HK Customer. As at the date of this Offering Circular, the above sale-and-leaseback transactions have been terminated.

We will not use the proceeds from the offering of the Bonds, as well as any other funds raised through the Hong Kong Stock Exchange, to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, any country subject to sanctions or any other government, individual or entity sanctioned by the United States, the European Union, the United Nations or Australia or other authorities, including, without limitation, any government, individual or entity that is the subject of any OFAC-administered sanctions or on the "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>).

Further, we will not use the proceeds from the offering of the Bonds to pay any damages for terminating or transferring any contract that violates sanctions. While we have implemented internal control measures to minimise our risk exposure to sanctions, sanctions laws and regulations are constantly evolving, and new persons and entities are regularly added to the list of sanctioned persons. Furthermore, new requirements or restrictions could come into effect which might increase the scrutiny on our business or result in one or more of our business activities being deemed to have violated sanctions. Our business and reputation could be adversely affected if the authorities of United States, the European Union, the United Nations, Australia or any other jurisdictions were to determine that any of our future activities constitutes a violation of the sanctions they impose or provides a basis for a sanctions designation of our Group.

Our controlling shareholder, CSSC Group, is subject to certain Executive Orders issued by the United States.

Since 2018, the U.S.-China trade war has brought uncertainty to global markets and to a certain extent, impacted businesses and financial market sentiment, influenced financial market volatility, and slowed investment and trade. The continued intensification of tensions between the U.S. and China has caused the U.S. government to focus on national security concerns and increase scrutiny of foreign businesses, particularly those businesses that are owned or controlled by the PRC's "military-industrial complex." The CSSC Group is designated by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury on the Non-SDN Chinese Military-Industrial Complex Companies ("NS-CMIC") List pursuant to Executive Order 13959 and Executive Order 14302, as amended (the "Executive Orders"). Under the Executive Orders, U.S. persons (as defined in the Executive Orders), are prohibited from buying and selling (subject to a divestment period) publicly traded securities or any publicly traded securities that are derivative of such securities or are designed to provide investment exposure to such securities of the CSSC Group. As of the date of this Offering Circular, the Company is not named on the NS-CMIC and, as such, the restriction does not apply to the Company. Investors who are considered as U.S. persons for purposes of the Executive Orders should nonetheless consider whether this is an appropriate investment. CSSC Group is also listed on the DOD List (as defined below) released by the U.S. Department of Defense, please refer to "*Risks Relating to the Industry – Changes in international policies with regard to China may adversely impact our business and operating results*" for details.

Should there be any further escalation of the U.S.-China tensions in the future, the U.S. government may impose further sanctions and/or restrictions on the CSSC Group and/or its subsidiaries, including the Company, which may enhance prohibition of transactions by the sanctioned entity through the U.S. financial system and blocking sanctions. We have been closely monitoring the development of the Executive Orders and other similar laws, acts and regulations, and actively implementing corresponding mitigation measures in response to the latest development of such situations. However, there can be no assurance that any potential restrictions or sanctions on the CSSC Group, the Company and/or their subsidiaries or affiliate will not materially and adversely affect the business, prospects, financial condition and results of operations of the Company and its future business expansion in the overseas markets (including the U.S.).

We may not be able to detect or prevent breach of law, fraud or other misconduct committed by our employees or third parties.

Breach of law, fraud or other misconduct by our employees (such as unauthorised business transactions and bribery) or by third parties is difficult to detect or prevent, and may subject us to substantial liabilities, financial loss and administrative penalties. It may also subject us to sanctions imposed by government authorities, which may damage our reputation and impair our ability to attract prospective customers, obtain financing on favourable terms and conduct our business activities. If we fail to detect or prevent any such instances in a timely manner or at all, our reputation, business, results of operations, financial condition and prospects may be materially and adversely affected.

Legal disputes or proceedings may expose us to liabilities, divert our management’s attention and adversely impact our reputation.

During the ordinary course of our business operations, we may be involved in legal disputes or proceedings relating to, among other things, contractual disputes and employees’ claims. Such legal disputes or proceedings may subject us to substantial liabilities and may have a material and adverse effect on our reputation, business operations, financial condition and prospects.

If we become involved in material or protracted legal proceedings or other legal disputes in the future, we may need to incur substantial legal costs and our management may need to devote significant time and attention to handle such proceedings and disputes, which may divert their attention from our business operations. In addition, the outcome of such proceedings or disputes may be uncertain and could result in settlement or outcomes which may materially and adversely affect our business, results of operations, financial condition and prospects.

We may not be able to adequately protect our intellectual property rights and may be exposed to third-party claims of infringement or misappropriation of intellectual property rights.

Our intellectual property rights include our domain name. See “*Description of the Group – Intellectual Property*” for more details. We cannot assure you that the steps we have taken to protect and safeguard our intellectual property rights are adequate, or that our intellectual property rights will not be infringed by any third party in the future. Any unauthorised use of our intellectual property rights may have an adverse effect on our business, results of operations, financial condition and prospects. We may resort to legal proceedings in order to protect and enforce our intellectual property rights, and the legal fees and expenses involved in such proceedings can be substantial. Furthermore, the diversion of resources and our management’s effort and attention in addressing such intellectual property claims may significantly affect our operations and hinder our business development.

The success of our business also depends on our ability to operate without infringing on third-party intellectual property rights. We may be subject to litigation involving claims of violation of third parties’ intellectual property rights. The defence of intellectual property lawsuits and related legal and administrative proceedings can be costly and time consuming. An adverse judgement in any such proceedings may result in substantial liabilities, which may materially and adversely affect our reputation, business, results of operations, financial condition and prospects.

There is no assurance that our business strategies and future plans will be successfully implemented.

The successful implementation of our business strategies and future plans may be hindered by risks set out in this section and is subject to numerous factors, including but not limited to our ability to (i) retain our major customers and broaden our customer base; (ii) manage the quality of our leased assets; (iii) monitor and reduce our risk exposure; and (iv) raise additional funds to support our business expansion. There is no assurance that we will be able to successfully implement our business strategies or future plans. Even if our business strategies or future plans are implemented, there is no assurance that they will increase our market share or enhance our market position.

In addition, the continued expansion of our business may place significant strain on our managerial, operational and financial resources. We may not be able to successfully manage the growth of our business despite the adoption of various measures, such as recruiting additional staff members to oversee our operations and increasing our working capital to support our business. There is no assurance that we will achieve the intended growth of our business or that our business will be profitable.

RISKS RELATING TO THE INDUSTRY

The marine industry is highly cyclical, which may have a material impact on our business.

The marine industry is highly cyclical. As we are a leasing service provider primarily focusing on ship leasing, our business may be materially and adversely affected by the marine cycle. The state of the marine cycle may be affected by a number of factors, such as global and regional economic and political conditions, developments in international trade, demand for and supply of marine services, number and types of vessels available globally, delivery of new vessels and retirement of older units, introduction of new marine technologies, changes in seaborne transportation and energy patterns, changes in the regulatory regimes governing the marine industry as well as vessels, fluctuations in foreign exchange and interest rates, ship financing costs, fuel prices, as well as extreme weather conditions. We cannot predict the impact that changes in the marine cycle may have on our business. Any adverse changes in the marine cycle may significantly reduce the demand for leasing services, which may materially and adversely affect our business, results of operations, financial condition and prospects.

Our business may be affected by the macro-economic environment in Hong Kong and elsewhere in the world.

Our business performance is largely affected by the macro-economic environment and market conditions in Hong Kong and elsewhere in the world. Any adverse changes in the macro-economic environment and market conditions, such as economic slowdown, downturn or recession, the occurrence of global financial or credit crisis, negative market outlook as well as fluctuations in interest rates, foreign exchange rates and finance costs, may reduce the demand for leasing services, increase our customers' risk of default, restrict our access to financial resources as well as increase our finance cost. Any of the aforesaid circumstances may materially and adversely affect our business, results of operations, financial condition and prospects.

The outlook for the world economy and financial markets remains uncertain. In Europe, several countries are facing difficulties in refinancing sovereign debt. In the United States, the recovery in the housing market remains subdued. In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In addition, China's economic growth may also slow down due to weakened exports as a result of tariffs and trade tensions caused by the U.S.-China trade war. In 2018 and 2019, the U.S. government, under the administration of President Donald J. Trump, imposed several rounds of tariffs on Chinese products. In retaliation, the Chinese government responded with tariffs on U.S. products. Political tensions between the U.S. and China have further escalated due to, among other things, trade disputes, tensions over Taiwan, and various restrictions related to the Chinese semiconductor industry imposed by the U.S. government. Furthermore, in September 2024, the United States implemented tariff increases on certain goods and technologies imported from China, including electric vehicles, chips, battery technologies, solar panels, certain medical equipment and other goods. In addition, on 1 February 2025, President Trump issued an executive order imposing a 10% tariff on imports from China, which was amended on 3 March 2025, raising tariffs on imports from China to 20%. On 2 April 2025, President Trump imposed an additional 34% tariff on all imports from China, which was subsequently increased to 125% on 9 April 2025. On 12 May 2025, the United States and China agreed to drastically roll back tariffs on each other's goods for an initial 90-day period. In August 2025, the tariff truce was extended for another 90 days until November 2025. It is uncertain if the United States may take further actions to eliminate perceived unfair competitive advantages.

Although there have been positive signs of progress on trade negotiations, the roadmap to the comprehensive resolution remains unclear, and the lasting impact the trade war may have on China's economy and the industries in which we operate remains uncertain. Should the trade war between the United States and the PRC begin to materially impact the PRC economy, the purchasing power of our customers in the PRC would be negatively affected.

Changes in international policies with regard to China may adversely impact our business and operating results.

Since 2018, the U.S. government has made statements and taken certain actions that may lead to changes to U.S. and international policies, including imposing tariffs affecting a variety of products manufactured in China or threatening to sanction certain companies with connections with China. It is unknown whether and to what extent new tariffs (or other new laws or regulations) will be adopted, or the effect that any such actions would have on us or our industry. There is also a concern that the imposition of additional tariffs by the United States could result in the adoption of tariffs by other countries as well. Any unfavourable government policies on international trade, such as capital controls or tariffs, may affect the demand for our business, impact the competitive position of our market position or prevent us from being able to operate business in certain countries. If any of these new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, in particular, if the U.S. government takes retaliatory trade actions due to the recent U.S.-China trade tension, such changes could have an adverse effect on our business, financial condition, results of operations.

In addition, the U.S. Department of Defense released a list of certain Chinese companies (including the Company's controlling shareholder, CSSC Group, and a fellow subsidiary of the Company's controlling shareholder) under the list of Chinese military companies operating directly or indirectly in the United States in accordance with the statutory requirement of Section 1260H of the National Defense Authorization Act for Fiscal Year 2021 (the “**DOD”List**”), claiming that the companies are Communist Chinese military companies. The list was based on the U.S. government's intelligence, and determined that the companies therein are controlled by the Chinese military. Currently, inclusion on the DOD List will impose both direct and indirect restrictions on the ability of the U.S. Department of Defense to enter into contracts for the procurement of goods, services or technology with the CSSC Group (and entities under its control). It is not possible to predict with certainty what additional restrictions or consequences may result from inclusion on the DOD List, if any, in the future, or what impact such developments could have on our business. As at the date of the Offering Circular, the Company's payment and collection of funds is conducted as usual.

The global leasing industry is increasingly competitive.

The global leasing industry is becoming more competitive. The global ship leasing industry is relatively fragmented. Due to the nature of our business, we compete with Hong Kong, PRC and overseas leasing companies, whether state-owned, bank-affiliated or independent. These competitors may have a longer operating history, be larger in terms of business scale and enjoy more financial, operational and management resources than we do. They may also be able to tolerate a higher level of risk exposure, obtain financing at a lower cost, offer more favourable lease terms to customers and establish stronger relationship with customers. If we fail to cope with the intense competition in the industry or compete effectively with our competitors, our market position may weaken, which may materially and adversely affect our business, results of operations, financial condition and prospects.

Any changes in the leasing regulatory regime in Hong Kong and the PRC may have a material and adverse impact on our business operations.

The provision of leasing services in the PRC is subject to certain laws and regulations. See “*PRC Regulations*” in this Offering Circular for further details. The government authorities in the PRC underwent a series of regulatory body reforms in 2018, pursuant to which the responsibilities of formulating the rules in relation to the operations of and supervision over leasing companies will be transferred from the Ministry of Commerce of the PRC to the China Banking and Insurance Regulatory Commission (which has since been abolished, with its relevant regulatory functions assumed by the National Financial Regulatory Administration). There is no assurance that the governments of Hong Kong and the PRC will not tighten their control over the leasing industry or impose additional or stricter laws, rules, regulations, policies or administrative measures in relation to the provision of leasing services in the future. Any changes in the regulatory framework may render it more restrictive for us to

conduct our business. There is also no assurance that we will be able to adapt to such changes in a timely manner. In addition, compliance with such new laws, rules, regulations, policies or administrative measures may significantly increase our operating costs, which may lower our profitability and have a material adverse impact on our business, results of operations, financial condition and prospects.

Our results of operations may be affected by social and political instability as well as the occurrence of epidemics and natural disasters.

Any social or political unrest, wars, acts of terrorism and other instability in Hong Kong, the PRC or other parts of the world may disrupt our business operations and have a material adverse impact on our business performance. In addition, our business may be affected by major natural disasters, such as typhoon, floods, windstorms and earthquakes, or widespread outbreaks of infectious diseases in Hong Kong, the PRC or any other parts of the world. Past occurrences of epidemics, depending on their scale of occurrence, have caused different degrees of damage to national and local economies. Outbreaks of Severe Acute Respiratory Syndrome (SARS), influenza A (H1N1), avian flu (H5N1), Ebola virus or Middle East Respiratory Syndrome (MERS), COVID-19 and other epidemics, in Hong Kong, the PRC or any other parts of the world may cause disruption of regional or national economic activities, which may affect or interrupt our business activities in the affected areas.

Similarly, war, terrorist activity, threat of war or terrorist activity, social unrest and the corresponding heightened travel security measures instituted in response to such events, as well as geopolitical uncertainty and international conflict and tension, would affect economic development. In turn, there could be a material adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO THE PRC

Changes in the economic, political and social conditions in the PRC may have a material adverse effect on the Group's business, results of operations and financial condition.

The PRC economy differs from the economies in developed countries in many respects, including the degree of government involvement, management of capital investment, as well as the overall level of development. The Group believes the PRC Government has indicated its commitment to the continued reform of the economic system as well as the structure of the government. The PRC Government's reform policies have emphasised the independence of enterprises and the use of market mechanisms. Since the introduction of these reforms, significant progress has been achieved in economic development, and enterprises have enjoyed an improved environment for their development. However, any changes in the political, economic or social conditions in the PRC may have a material adverse effect on the Group's present and future business operations.

Under the Enterprise Income Tax law, the Issuer (or any other overseas entity of the Group) may be treated as a PRC resident enterprise for PRC tax purposes, which will subject it to PRC enterprise income tax on its worldwide income and may subject non-PRC resident investors in the Bonds to PRC withholding taxes on interest payments and any gains derived on a transfer of the Bonds.

Under the PRC Enterprise Income Tax Law (中華人民共和國企業所得稅法), which became effective on 1 January 2008 and was amended on 29 December 2018 and the Implementing Regulations of the PRC Enterprise Income Tax Law (Revised in 2024) (together, the “EIT Law”), enterprises organised under the laws of jurisdictions outside the PRC with their “de facto management bodies” located within the PRC are deemed to be “resident enterprises for PRC tax purposes”, meaning that they are treated in a manner similar to PRC enterprises for enterprise income tax purposes, and therefore subject to PRC enterprise income tax at the rate of 25 per cent. on their worldwide income (although dividends paid from one resident to another may qualify as “tax-exempt income”). The Implementing Regulation defines the term “de facto management body” as a management body that exercises substantial and overall control and management over the production and operations, personnel, accounting and properties of an enterprise. A circular issued by the State Administration of Taxation on 22 April 2009

provides that a foreign enterprise controlled by a PRC company or a PRC company group will be classified as a “resident enterprise” with a “de facto management body” located within the PRC if all of the following requirements are satisfied: (i) the senior management and core management departments in charge of daily operations are located mainly within the PRC; (ii) financial and human resources decisions are subject to determination or approval by persons or bodies in the PRC; (iii) major assets, accounting books, company seals and minutes and files of board and shareholders’ meeting are located or kept within the PRC; and (iv) at least half of the enterprise’s directors with voting rights or senior management reside within the PRC. The State Administration of Taxation issued the Circular on Income Tax for Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises (境外註冊中資控股居民企業所得稅管理辦法(試行)), which became effective on 1 September 2011 and was amended on 15 June 2018, and which provides that a foreign enterprise controlled by a PRC company or a PRC company group shall be deemed a “resident enterprise” either by a final decision of the State Administration of Taxation if the foreign enterprise applies for such determination or by an investigation by the relevant tax authorities.

The Group confirms that, as at the date of this Offering Circular, none of its overseas entities, including the Issuer, has been treated as a PRC resident enterprise by the PRC tax authorities. There is however no assurance that the Issuer or other overseas entities in the Parent Group will not be treated as “resident enterprises” under the EIT Law, any aforesaid circulars or any amended regulations in the future. If the Issuer is treated as a PRC resident enterprise for PRC enterprise income tax purpose, among other things, it would be subject to the PRC enterprise income tax at the rate of 25 per cent. on its worldwide income. Furthermore, if the Issuer were treated as a PRC resident enterprise, payments of interest by the Issuer may be regarded as income derived from sources within the PRC and therefore the Issuer may be obligated to withhold PRC income tax at 10 per cent. on payments of interest on the Bonds to non-PRC resident enterprise Bondholders. In the case of non-PRC resident individual Bondholders, the tax may be withheld at a rate of 20 per cent. In addition, if the Issuer were treated as a PRC resident enterprise, any gain realised on the transfer of the Bonds by non-PRC resident Bondholders may be regarded as income derived from sources within the PRC and may be subject to PRC income tax of 10 per cent. (in the case of non-PRC resident enterprises) or 20 per cent. (in the case of non-PRC resident individuals). According to the Protocol IV to the Arrangement between the Mainland and the Hong Kong for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》第四議定書), certain qualified Bondholders who are Hong Kong residents may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds.

Furthermore, if the Issuer is considered to be a PRC resident enterprise, interest payments on the Bonds that are consequently deemed to be derived from sources within the PRC may be subject to PRC value added tax (“VAT”) at a rate of six per cent., plus local levies, which tax may be withheld at source.

In addition, in the event that the Company is considered to be a PRC resident enterprise and is required to fulfill its obligations under the Guarantee by making interest payments on behalf of the Issuer, the Company will be obliged to withhold PRC enterprise income tax at a rate of 10 per cent. on such payments to non-resident enterprise Bondholders and 20 per cent. for non-resident individual Bondholders if such interest payments are deemed to be derived from sources within the PRC. Such guarantor may also be required to withhold VAT from payments of interest, at the above-mentioned rate. Any PRC income tax liability may be reduced by an applicable income tax treaty.

If the Issuer or the Company is required to withhold PRC tax from interest payments on the Bonds, the Issuer or the Company may be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holders of the Bonds of such amounts as would have been received had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Bonds and could have an adverse effect on the Issuer’s or the Company’s financial condition.

The uncertainties of the PRC legal system and its laws and regulations may have a negative impact on the Group's operations.

The Group's domestic leasing business is conducted in the PRC and such operations are located in the PRC, hence its business operations are regulated primarily by PRC laws and regulations. The PRC legal system is a civil law system based on written statutes. Unlike the common law systems, past court judgements in the PRC have limited precedential value and may be cited only for reference. Furthermore, PRC written statutes often require detailed interpretations by courts and enforcement bodies for their application and enforcement. Since 1979, the PRC government has been committed to developing and refining its legal system and has achieved significant progress in the development of its laws and regulations governing business and commercial matters, such as in foreign investment, company organisation and management, commercial transactions, tax and trade. However, as these laws and regulations are still evolving, in view of how the PRC's financial services industry is still developing, and because of the limited number and non-binding nature of published cases, there exist uncertainties about their interpretation and enforcement, and such uncertainties may have a negative impact on the Group's business.

Furthermore, the administration of PRC laws and regulations may be subject to a certain degree of discretion by the executive authorities. This has resulted in the outcome of dispute resolution not being as consistent or predictable compared to more developed jurisdictions. These uncertainties relating to the interpretation and implementation of PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Group in its operations and to holders of the Bonds. See also *"Risks relating to the Bonds and the Guarantee – It may be difficult to effect service of process or to enforce any judgments obtained from non-PRC courts against members of the Group residing in the PRC"*.

Governmental management of currency conversion may limit the Group's ability to utilise cash effectively, which may adversely affect the value of your investment.

The PRC Government has imposed management measures on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currencies out of China. Any shortage in the availability of foreign currencies may restrict the ability of the Company's PRC subsidiaries to remit sufficient foreign currencies to pay dividends or make other distributions to the Company, or otherwise satisfy their foreign currency-denominated obligations. If the foreign exchange control system prevents the Company from obtaining sufficient foreign currencies to satisfy its currency demands, the Company may not be able to pay dividends in foreign currencies to its shareholders.

Under the existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and expenditures from trade-related transactions, can be made in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, approval from the SAFE or its local branch is required where Renminbi is to be converted into foreign currencies and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. More management measures have been put in place by the SAFE to regulate cross-border transactions under the capital account, such as the Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving Authenticity and Compliance Review (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知). The management on foreign exchange transactions under capital accounts could also affect the ability of the Company's PRC subsidiaries to obtain foreign exchange through debt or equity financing, including by means of loans or capital contribution from the Company.

PRC regulations in relation to direct investment and loans by offshore holding companies to PRC entities may delay or limit the Issuer from using the proceeds from the offering of the Bonds to make additional capital contributions or loans to its PRC subsidiaries.

As an offshore holding company of PRC subsidiaries, the Issuer may make additional capital contributions or loans to its PRC subsidiaries. Any capital contribution or loans to its PRC subsidiaries are subject to PRC regulations and foreign exchange loan registrations. For example, under the nationwide macro-prudential management framework for cross-border financing, the permissible scale of cross-border loans for a PRC subsidiary is generally governed by a risk-weighted ceiling calculated based on its net assets. Apart from the abovementioned registration procedures, any medium or long term loan to be provided by the Company to its PRC subsidiaries must be recorded by and registered with the NDRC. In addition, according to the relevant PRC regulations on foreign-invested enterprises, our capital contributions to our PRC subsidiaries must be filed with the Ministry of Commerce or its local counterpart and registered with other government authorities in China.

There is no assurance that the PRC Government will not impose more stringent requirements in relation to direct investment and loans by offshore holding companies to PRC entities. If the PRC Government imposes more stringent requirements in relation to direct investment and loans by offshore holding companies to PRC entities, the Company's ability to make equity contributions or provide loans to its PRC subsidiaries or to fund their operations with the net proceeds from the offering of the Bonds may be negatively affected, which may materially and adversely affect their ability to fund their working capital and expansion projects as well as meet their obligations and commitments.

The Company may rely on dividend payments from its subsidiaries in the PRC for funding.

The Company may rely on dividends paid by its PRC subsidiaries for cash requirements, including the funds necessary to service any debt the Company may incur. If any of the Company's subsidiaries incurs debt in its own name in the future, the instruments or agreements governing the debt may restrict its dividend payment or other distributions. Furthermore, applicable PRC Laws, rules and regulations permit payment of dividends by its PRC subsidiaries only out of their accumulated retained earnings determined in accordance with PRC accounting standards. The Company's PRC subsidiaries are also required to set aside a certain percentage of their after-tax profits each year to their statutory reserves in accordance with the requirements of applicable PRC laws and the provisions in their respective articles of associations. As a result, the Company's PRC subsidiaries are restricted in their ability to transfer a portion of their net income to it, whether in the form of dividends, loans or advances. These restrictions and requirements could reduce the amount of distributions that the Company receives from its subsidiaries, which may restrict its ability to fund the Company's operations, generate income, pay dividends and service our indebtedness.

RISKS RELATING TO THE BONDS AND THE SHARES

Fluctuations in the exchange rate and value of Renminbi may have a material adverse effect on the Group's results of operations and financial condition.

The value of Renminbi against the U.S. dollar, the Hong Kong dollar and other currencies fluctuates, and is subject to changes resulting from the monetary policies of the PRC Government, domestic and international economic and political developments as well as supply and demand in the monetary market. Since July 2005, the PRC Government has adopted a managed floating exchange rate system to allow the value of Renminbi to fluctuate within a regulated band based on market supply and demand and with reference to a basket of currencies. In May 2007, the PBOC enlarged the floating band for the trading price of Renminbi against the U.S. dollar on the interbank spot exchange market to 0.5 per cent. around the central parity rate. In April 2012, the PBOC enlarged the floating band for the trading price of Renminbi against the U.S. dollar on the interbank spot exchange market to 1% around the central parity rate. In March 2014, the PBOC further enlarged the floating band for the trading price of Renminbi against the U.S. dollar on the interbank spot exchange market to 2 per cent. around the central parity rate. There remains significant international pressure on the PRC Government to adopt more

flexible currency policies. In the event of material fluctuations in the exchange rates of the Hong Kong dollar and the U.S. dollar against Renminbi, our ability to service payments of the Bonds and the Shares in foreign currencies may be materially and adversely affected.

The Group will also require Hong Kong dollars for dividend payments (if any) to its shareholders. In addition, the price at which the Group purchases raw materials from its suppliers may be affected to the extent its suppliers' raw materials are imported or otherwise subject to foreign currency fluctuations. It is difficult to predict how market forces or relevant government policies such as those referred to above may impact the exchange rate between Renminbi and other currencies in the future. Should there be significant changes in the exchange rates of Renminbi, the Group's ability to make dividend payments in Hong Kong dollars or to purchase raw materials from its suppliers in other currencies may be adversely affected.

The Bonds will be unsecured obligations.

The Bonds will constitute direct, unsubordinated, unconditional and (subject to Condition 4(A) of the Conditions) unsecured obligations of the Issuer at all times ranking *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to the negative pledge contained in Condition 4(A) of the Conditions, will at all times rank at least equally with all of the Issuer's other present and future direct, unsubordinated, unconditional and unsecured obligations. Therefore, the Bonds will be unsecured obligations of the Issuer. The payment obligations under the Bonds may be adversely affected if:

- the Group enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Group's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Group's indebtedness.

If any of the above events occurs, the Group's assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Bonds.

Structural subordination of the Bonds.

None of the Issuer's and the Guarantor's subsidiaries will guarantee the Bonds. Therefore, the Bonds will be structurally subordinated to any indebtedness and other liabilities and commitments, including trade payables and lease obligations, of the Issuer's and the Guarantor's existing or future subsidiaries, whether or not secured. The Issuer may not have direct access to the assets of such subsidiaries unless these assets are transferred by dividend or otherwise to the Issuer. The ability of such subsidiaries to pay dividends or otherwise transfer assets to the Issuer is subject to various restrictions under applicable laws and the contracts and agreements which they enter into from time to time. The Issuer's and the Guarantor's subsidiaries are separate legal entities that have no obligation to pay any amounts due under the Bonds or make any funds available therefor, whether by dividends, loans or other payments. As a result, all claims of creditors of the existing and future subsidiaries of the Issuer and the Guarantor, including trade creditors, lenders and all other creditors, and rights of holders of preferred shares of such subsidiaries (if any) will have priority as to the assets of such subsidiaries over claims of the Issuer and the Guarantor as shareholder and those of creditors of the Issuer and the Guarantor, including holders of the Bonds.

Ability to obtain and remit foreign currency.

The PRC Government has imposed controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currencies out of China. Any shortage in the availability of foreign currencies may restrict the ability of our PRC subsidiaries to remit sufficient foreign currencies

to pay dividends or make other distributions to the Issuer, or otherwise satisfy their foreign currency-denominated obligations. If the foreign exchange control system prevents the Issuer from obtaining sufficient foreign currencies to satisfy its currency demands, the Issuer may not be able to pay dividends in foreign currencies to its shareholders.

Under the existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and expenditures from trade-related transactions, can be made in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, approval from the SAFE or its local branch is required where Renminbi is to be converted into foreign currencies and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. More restrictions and extensive vetting processes have been put in place by the SAFE to regulate cross-border transactions under the capital account, such as the Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving Authenticity and Compliance Review (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知). The PRC Government may also at its discretion restrict access to foreign currencies for current account transactions in the future. The restrictions on foreign exchange transactions under capital accounts could also affect the ability of our PRC subsidiaries to obtain foreign exchange through debt or equity financing, including by means of loans or capital contribution from the Issuer. Pursuant to the Enterprise Income Tax Law of the PRC (the “EIT Law”), which became effective on 1 January 2008 and was amended on 29 December 2018, if we are deemed a “non-resident enterprise”, dividends distributed to us by our PRC subsidiaries and interest payments made to us by our PRC subsidiaries (to the extent permitted by law) are subject to a 10% withholding tax (subject to the applicable preferential tax treaty). Prior to making such interest payments, the relevant PRC subsidiary must also present evidence of payment of the aforesaid withholding tax. If any such PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency, including the failure of SAFE to approve the registration of the relevant intercompany loans or to approve the payments under such loans, the PRC subsidiary will be unable to pay us dividends or interest and principal, when due, on the relevant intercompany loans, which may affect our ability to satisfy our obligations under the Bonds and the Guarantee.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations, will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. We anticipate that our operating cash flow will be sufficient to meet our anticipated operating expenses and to service our debt obligations as they become due. However, we may not generate sufficient cash flow for these purposes. If we are unable to service our indebtedness, we will be forced to adopt alternative strategies. These may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing our indebtedness or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

The Bonds may not be a suitable investment for all investors.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds and the merits and risks of investing in the Bonds and the information contained in this Offering Circular;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;
- understand thoroughly the terms of the Bonds; and

- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Holders of the Bonds are not entitled to rights with respect to the Shares, but are subject to changes made with respect to the Shares.

Holders of the Bonds are not entitled to any rights with respect to the Shares (including, without limitation, voting rights and rights to receive any dividends or other distributions on the Shares) prior to the time such Bondholders convert the Bonds for Shares and are themselves registered as holders thereof. However, such Bondholders are subject to all changes affecting the Shares. For example, in the event that an amendment is proposed to the Guarantor's articles requiring shareholder approval, and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the date of conversion of the Bonds for such Shares and (as applicable) the date of registration by the relevant Bondholder as the holder thereof, that Bondholder would not be entitled to vote on the amendment but would nevertheless be subject to any resulting changes in the powers, preferences or special rights that affect the Shares after conversion.

Short selling of the Shares by purchasers of the Bonds could materially and adversely affect the market price of the Shares.

The issuance of the Bonds may result in downward pressure on the market price of the Shares. Many investors in convertible bonds seek to hedge their exposure in the underlying equity securities, often through short selling the underlying equity securities or similar transactions. Any short selling or similar hedging activity could place significant downward pressure on the market price of the Shares, thereby having a material adverse effect on the market value of the Shares as well as on the trading price of the Bonds.

Future issuances of Shares or equity-related securities may depress the trading price of the Shares.

Any issuance of our equity securities after this offering of the Bonds could dilute the interest of our existing shareholders and could substantially decrease the trading price of the Shares. We may issue equity securities in the future for a number of reasons, including to finance our operations and business strategy (including in connection with acquisitions, strategic collaborations or other transactions), to adjust our ratio of debt to equity, to satisfy our obligations upon the exercise of outstanding warrants, options or other convertible bonds or for other reasons. Sales of a substantial number of Shares or other equity-related securities in the public market (or the perception that such sales may occur) could depress the market price of the Shares, and impair our ability to raise capital through the sale of additional equity securities. There is no restriction on our ability to issue Shares or the ability of any of our shareholders to dispose of, encumber or pledge the Shares, and there can be no assurance that we will not issue Shares or that our shareholders will not dispose of, encumber or pledge the Shares. We cannot predict the effect that future sales of the Shares or other equity-related securities would have on the market price of the Shares. In addition, the price of the Shares could be affected by possible sales of the Shares by investors who view the Bonds as a more attractive means of obtaining equity participation in the Guarantor and by hedging or engaging in arbitrage trading activity involving the Bonds.

The market value of the Bonds may fluctuate.

Trading prices of the Bonds are influenced by numerous factors, including the results of operations and/or financial condition and business strategy (in particular further issuance of debt or corporate events such as share sales, reorganisations, takeovers or share buybacks) of the Group and/or the subsidiaries and/or associated companies of the Group, political, economic, financial, regulatory and any other factors that can affect the capital markets, the industry, the Group and/or the subsidiaries and/or associated companies of the Group generally. Adverse economic developments in the PRC could have a material and adverse effect on the results of operations and/or the financial condition of the Group and/or the subsidiaries and/or associated companies of the Group.

The market price of the Bonds at any time will be affected by fluctuations in the price of the Shares. The Shares are currently listed on the Hong Kong Stock Exchange. There can be no certainty as to the effect, if any, that future issues or sales of Shares, or the availability of Shares for future issue or sale, will have on the market price of the Shares prevailing from time to time and therefore on the price of the Bonds. Sales of substantial numbers of Shares in the public market, or a perception in the market that such sales could occur, could adversely affect the prevailing market price of the Shares and the Bonds.

The return on the Bonds may decrease due to inflation.

Bondholders may suffer erosion of the return on their investments due to inflation. Bondholders would have an anticipated rate of return on the purchase of the Bonds based on expected inflation rates. An unexpected increase in inflation could reduce the actual returns.

There may be filing or other requirements of the CSRC or other PRC government authorities in relation to our proposed issuance of the Bonds or further capital raise activities.

On 17 February 2023, the CSRC released the CSRC Filing Rules, which came into effect on 31 March 2023. The CSRC Filing Rules will regulate both direct and indirect overseas offering and listing of PRC domestic companies' securities by adopting a filing-based regulatory regime. The CSRC Filing Rules state that, any post-listing follow-on offering by an issuer in an overseas market, including issuance of shares, convertible bonds and other similar securities, shall be subject to filing requirement within three business days after the completion of the issuance. In connection with the CSRC Filing Rules, on 17 February 2023 the CSRC also published the Notice on the Administrative Arrangements for the Filing of Overseas Securities Offering and Listing by Domestic Enterprises (《關於境內企業境外發行上市備案管理安排的通知》)(the “**Notice on Overseas Listing Measures**”). According to the Notice on Overseas Listing Measures, issuers that have already been listed in an overseas market by 31 March 2023, the date the Overseas Listing Measures became effective, are not required to make any immediate filing and are only required to comply with the filing requirements under the CSRC Filing Rules when it subsequently seeks to conduct a follow-on offering. The CSRC Filing Rules provide that an overseas offering and listing, including the follow-on offering of convertible bonds, is prohibited under any of the following circumstances: if (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is currently under investigation for suspicion of criminal offences or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company's controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller (the “**Forbidden Circumstances**”). In addition, in the process of filing, where the issuer may be under any of the Forbidden Circumstances, the CSRC may solicit the opinions of the competent government authorities under the State Council.

We will comply with applicable filing requirements if applicable. However, there remains substantial uncertainty as to their interpretation, application and enforcement of the CSRC Filing Rules and how they will affect our operations and our future financing. We cannot assure you that we are able to meet such requirements, obtain such permit from the relevant government authorities, or complete such filing in a timely manner or at all. In addition, we cannot guarantee that new rules or regulations promulgated in the future will not impose any additional requirements on us. If it is determined that we are subject to any approval, filing, other governmental authorisation or requirements from the CSRC or other PRC

government authorities, we may fail to obtain such approval or meet such requirements in a timely manner or at all. Such failure may subject us to fines, penalties or other sanctions which may have a material adverse effect on our business and financial condition.

Gains on the transfer of the Bonds may be subject to income tax under PRC tax laws.

Under the EIT Law which took effect on 29 December 2018 and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a “non-resident enterprise” means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of the Bonds by non-resident enterprise Bondholders would be treated as income derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, under the Individual Income Tax Law of the PRC (the “**IIT Law**”) as last amended on 31 August 2018, and its implementation rules, any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of China for less than one year shall pay individual income tax for any income obtained within the PRC. There is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排)(the “**Arrangement**”) which was promulgated on 21 August 2006, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

On 23 March 2016, the MOF and the State Administration of Taxation issued the Circular of Full Implementation of Replacing Business Tax with Value-Added Tax Reform (Caishui [2016] No. 36) (“**Circular 36**”), which introduced a new value-added tax (“**VAT**”) from 1 May 2016. Further, Circular 36 was partially amended by the Announcement of the State Taxation Administration on Matters relating to Deepening the VAT Reform which was issued by the State Administration of Taxation on 21 March 2019 and became effective on 1 April 2019. The Value-Added Tax Law of the People’s Republic of China (the “**VAT Law**”) came into effect on 1 January 2026, providing a statutory framework for VAT in the PRC (“**VAT**”) and largely codifying and building upon the previous VAT regulatory regime, including Circular 36 and its subsequent amendments. VAT is applicable where entities or individuals provide services within the PRC. The issuance of the Bonds is likely to be treated as the Bondholders providing loans to the Issuer, which consequently shall be regarded as financial services for VAT purposes. Therefore, the Bondholders may be regarded as providing financial services within the PRC and consequently, the Issuer may be obligated to withhold VAT of 6 per cent. on payments of interest and certain other amounts on the Bonds paid by the Issuer to Bondholders who do not have business establishments in the PRC.

VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC. As Circular 36 together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties.

If a Bondholder, being a non-resident enterprise or non-resident individual, is required to pay any income tax or VAT on gains on the transfer of the Bonds, the value of the relevant Bondholder's investment in the Bonds may be materially and adversely affected. See "*Taxation – The PRC*".

The Bondholders may be subject to tax on their income or gain from the Bonds.

Prospective purchasers of the Bonds are advised to consult their own tax advisers concerning the overall tax consequences of the acquisition, ownership or disposition (including upon conversion of the Bonds) of the Bonds or the Shares. See "*Taxation*" for a discussion of tax consequences in certain jurisdictions.

Our results of operations, financial condition, future prospects and business strategy could also affect the value of the Shares.

The trading price of the Shares will be influenced by our operational results (which in turn are subject to the various risks to which our businesses and operations are subject) and by other factors such as changes in the regulatory environment that may affect the markets in which we operate and capital markets in general. Corporate events such as share sales, reorganisations, takeovers or share buy-backs may also adversely affect the value of the Shares. Any decline in the price of the Shares would adversely affect the market price of the Bonds.

Conversion of the Bonds may dilute the ownership interest of existing shareholders and could also adversely affect the market price of the Shares.

The conversion of some or all of the Bonds may dilute the ownership interests of existing shareholders. Any sales in the public market of the Shares issuable upon such conversion could adversely affect prevailing market prices for the Shares. In addition, the conversion of the Bonds might encourage short selling of the Shares by market participants.

Holders have limited anti-dilution protection.

The Conversion Price will be adjusted on the occurrence of certain events, including a subdivision, consolidation or reclassification of Shares, rights issue of Shares or options over Shares, capital distributions, capitalisation of profits or reserves or other events as specified in Condition 6. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Shares. Events in respect of which no adjustment is made may adversely affect the value of the Shares and, therefore, adversely affect the value of the Bonds.

The Bonds will have limited liquidity and the transfer of the Bonds will be restricted.

No public market exists for the Bonds. There is no current intention to list the Bonds other than on the Hong Kong Stock Exchange. If any of the Bonds are traded after the initial issue, they may trade at a discount or premium from their initial offering price, depending on prevailing interest rates, the market for similar Bonds and other factors, including general economic conditions and our financial condition, performance and prospects. No assurance can be given as to the future price level of the Bonds after their initial issue.

The Bonds or the Shares issuable upon conversion of the Bonds are not registered under the Securities Act or other securities laws. Unless and until the Bonds or the Shares are registered under the Securities Act, they may not be offered or sold except in transactions that are exempt from the registration requirements of the Securities Act and hedging transactions may not be conducted unless in compliance with the Securities Act or exempted therefrom. The Bonds and the Shares into which they are convertible will not be freely tradable absent registration or an exemption from registration.

The Bonds will contain provisions regarding modification, waivers and substitution, which could affect the rights of Bondholders.

The Trust Deed will contain provisions for convening meetings of Bondholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all holders of Bonds, including holders of Bonds who did not attend and vote at the relevant meeting and holders of Bonds who voted in a manner contrary to the majority. In addition, the Trust Deed will provide that a resolution (A) in writing signed by or on behalf of the holders of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding, or (B) passed by Electronic Consent (as defined in the Trust Deed) shall for all purposes be as valid and effective as an Extraordinary Resolution (as defined in the Trust Deed) passed at a meeting of Bondholders duly convened and held. 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 Bondholders. A resolution in writing and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such resolution in writing and/or Electronic Consent, as the case may be. The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of any of the provisions of the Trust Deed, the Agency Agreement, the Bonds or the Conditions (together the “**Documentation**”) which in the Trustee’s opinion is of a formal, minor or technical nature, or is made to correct a manifest error, or to comply with mandatory provisions of law, and (ii) any other modification to the Documentation (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Documentation which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may (but shall not be obliged to), without the consent of the Bondholders, determine any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee agrees otherwise, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders as soon as practicable in accordance with Condition 11.

The Bonds may be redeemed by the Issuer prior to maturity.

The Bonds may be redeemed at the option of the Issuer, in whole but not in part, at their principal amount, if the Issuer satisfies the Trustee immediately prior to the giving of the Tax Redemption Notice that (a) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or, any change in the general application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 January 2026, and (b) such obligation cannot be avoided by the Issuer (or, as the case may be, the Guarantor) taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer (or, as the case may be, the Guarantor) would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. Prior to the publication of any Tax Redemption Notice pursuant to Condition 8(C).

If the Issuer redeems the Bonds prior to the Maturity Date, investors may not receive the same economic benefits they would have received had they held the Bonds to maturity, and they may not be able to reinvest the proceeds they receive in a redemption in similar securities. In addition, the Issuer’s ability to redeem the Bonds prior to maturity may reduce the market price of the Bonds.

The Bonds may be redeemed at the option of the Issuer, which may adversely affect the trading price and liquidity of the Bonds and may subject Bondholders to reinvestment risks.

Subject to certain conditions, the Bonds may be redeemed at the Issuer’s option in whole, but not in part, (a) at any time after 11 February 2029 but prior to the Maturity Date if, the Closing Price of a Share for any 20 Trading Days within a period of 30 consecutive Trading Days, the last of such Trading Day shall occur not more than 10 days prior to the date upon which notice of such redemption is given,

was, for each such 20 Trading Days, at least 130 per cent. of the Conversion Price then in effect or (b) at any time if, prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (which shall for this purpose include any further Bonds issued pursuant to Condition 17) has already been converted, redeemed or purchased and cancelled. See “*Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation – Redemption at the Option of the Issuer*”. As a result, the trading price of the Bonds may be affected when this option of the Issuer becomes exercisable. Accordingly, Bondholders may not be able to sell their Bonds at an attractive price. Therefore, exercise of the Issuer’s option to redeem the Bond could have a material adverse effect on the trading price and liquidity of the Bonds. In addition, the Bondholders may not be able to reinvest the redemption proceeds at an effective interest rate and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Issuer may not have the ability to redeem the Bonds.

Bondholders may require the Issuer, in certain circumstances, to redeem for cash all or some of their Bonds. The Issuer may not have sufficient funds or other financial resources to make the required redemption in cash at such time or the ability to arrange necessary financing on acceptable terms, or at all. The Issuer’s ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Bonds by the Issuer would constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer’s other indebtedness.

The insolvency laws of the British Virgin Islands and other local insolvency laws may differ from those of any other jurisdiction with which holders of the Bonds are familiar.

Because the Issuer is incorporated under the laws of the British Virgin Islands, an insolvency proceeding relating to the Issuer, even if brought in other jurisdictions, would likely involve British Virgin Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of bankruptcy law in other jurisdictions. We conduct a substantial amount of our business operations through our PRC-incorporated subsidiaries in the PRC. The PRC laws and regulations relating to bankruptcy and insolvency and the legal proceedings in that regard may significantly differ from those of other jurisdictions with which the holders of the Bonds are familiar. Investors should analyse the risks and uncertainties carefully before investing in the Bonds.

It may be difficult to effect service of process or to enforce any judgments obtained from non-PRC courts against members of the Group residing in the PRC.

The Conditions and the transaction documents are governed by English law and the Issuer and the Guarantor submitted to the exclusive jurisdiction of the Hong Kong courts. However, a substantial number of companies in the Group are incorporated in the PRC and a substantial amount of the Group’s assets and companies are located in the PRC.

The enforcement of foreign judgments in the PRC is still subject to uncertainties. In addition, the mechanisms for enforcement of rights under the corporate governance framework to which the Group is subject are also relatively undeveloped and untested. The PRC has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by the courts in most other jurisdictions. Therefore, it may not be possible for investors to effect service of process and/or enforce any judgments obtained from outside the PRC upon the Group.

On 14 July 2006, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排)(the “**Choice of Court Arrangement**”), pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to

a “choice of court” agreement in writing may apply for recognition and enforcement of the judgment in the PRC. Similarly, a party with a final court judgment rendered by a PRC court requiring payment of money in a civil and commercial case pursuant to a “choice of court” agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A “choice of court” agreement in writing is defined as any agreement in writing entered into between parties after the effective date of the Choice of Court Arrangement in which a Hong Kong court or a PRC court is expressly designated as the court having sole jurisdiction for resolving the dispute. Therefore, it is not possible to enforce a judgment rendered by a Hong Kong court in the PRC if the parties in dispute do not enter into a “choice of court” agreement in writing. As a result, it may be difficult for investors to effect service of process against the Group’s PRC subsidiaries, our directors or members of our senior management in the PRC and/or to seek recognition and enforcement for foreign judgments in the PRC. On 18 January 2019, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排)(the “**2019 Arrangement**”), which seeks to establish a bilateral legal mechanism with greater clarity and certainty for recognition and enforcement of judgments in a wider range of civil and commercial matters between the courts of Hong Kong and the PRC. The 2019 Arrangement has already taken effect on 20 January 2024. Upon commencement of the 2019 Arrangement, the Choice of Court Arrangement shall be terminated, except for “choice of court” agreements in writing made between parties before the commencement of the 2019 Agreement, in which case the Choice of Court Arrangement shall continue to apply. However, the recognition and enforcement of judgments rendered by a Hong Kong court in the PRC are subject to the provisions, limits, procedures and other terms and requirements of the 2019 Arrangement. There can be no assurance that investors can successfully seek recognition and enforcement for judgments rendered by a Hong Kong court in the PRC against the Group’s PRC subsidiaries, our directors or members of our senior management in the PRC.

The Trustee may request Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before acting on behalf of the Bondholders.

In certain circumstances (including without limitation the giving of notice pursuant to Condition 10 of the Conditions and enforcement pursuant to Condition 15 of the Conditions), the Trustee may (at its sole discretion) request Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any steps and/or actions and/or institutes any proceedings on behalf of Bondholders. The Trustee shall not be obliged to take any such steps and/or actions to institute any such proceedings unless first indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact when such steps and/or actions can be taken and/or when such proceedings can be instituted. The Trustee may not be able to take any such steps and/or actions and/or institute any such proceedings, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed or the Conditions and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the Trust Deed and the Conditions and applicable laws and regulations, it will be for the Bondholders to take any such steps and/or actions and/or institute any such proceedings directly.

An active trading market for the Bonds may not develop.

The Bonds are a new issue of securities for which there is currently no established trading market when issued, and one may never develop. Although an application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange, no assurance can be given that such application will be approved, or even if the Bonds become so listed, an active trading market for the Bonds will develop or be sustained. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Bonds.

If an active trading market were to develop, the Bonds could trade at a price that may be lower than the initial offering price of the Bonds. Whether or not the Bonds will trade at lower prices depends on many factors, including:

- prevailing interest rates and the market for similar securities;
- general economic, market and political conditions;
- the financial condition, financial performance and future prospects of the Issuer and the Guarantor;
- the publication of earnings estimates or other research reports and speculation in the press or investment community in relation to the Issuer and the Guarantor; and
- changes in the industry and competition affecting the Group.

The liquidity and price of the Bonds following the offering may be volatile.

The price and trading volume of the Bonds may be highly volatile. Changes in our revenues, earnings and cash flows and proposals of new investments, strategic alliances or acquisitions, interest rates, prices for comparable companies, government regulations applicable to our industry and general economic conditions nationally or internationally could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the Bonds will trade. We cannot assure you that these developments will not occur in the future.

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 potential investor should consult its legal advisers to determine whether and to what extent:

- the Bonds are legal investments for it;
- the Bonds can be used as collateral for various types of borrowing; and
- any other restrictions apply to its purchase or pledge of the Bonds.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

Certain facts and statistics are derived from publications not independently verified by us, the Manager, the Trustee, the Agents or any of our or their respective directors, officers, employees, agents, representatives, advisers or affiliates or any person who controls any of them.

Facts and other statistics in this Offering Circular relating to the PRC, Hong Kong and their economy or the relevant industry in which the Group operates have been directly or indirectly derived from official government publications and certain other public industry sources and although the Group believes such facts and statistics are accurate and reliable, it cannot guarantee the quality or the reliability of such source materials. They have not been prepared or independently verified by the Issuer, the Guarantor, the Trustee, the Agents or any of its or their respective affiliates, employees, directors, agents, advisers or representatives, and, therefore, the Issuer, the Guarantor, the Trustee, the Agents or any of its or their respective affiliates, employees, directors, agents, advisers or representatives makes no representation as to the completeness, accuracy or fairness of such facts or other statistics, which may not be consistent with other information compiled within or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics contained in this Offering Circular may be incomplete, inaccurate or unfair or may not be comparable to statistics produced for other economies or the same or similar industries in other countries and should not be unduly relied upon. Furthermore, there is no assurance that they are

stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts or other statistics.

There may be less publicly available information about us than is available in certain other jurisdictions.

There may be less publicly available information about companies listed in Hong Kong than is regularly made available by public companies in certain other countries. In particular, the regulatory requirements for disclosure by companies listed on the Hong Kong Stock Exchange differ from, and may be less stringent than, those applicable to companies listed in other major financial markets such as the United States or the European Union. Investors may face obstacles in obtaining comparable information on the Group and our peers, which may lead to uncertainties in assessing our value, risks and future prospects.

The Bonds will initially be represented by the Global Certificate, and therefore, Bondholders must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The Bonds will initially be represented by the Global Certificate and held through Euroclear and Clearstream. Interests in the Bonds represented by the Global Certificate will trade in book-entry form only, and the Bonds in definitive registered form, or definitive registered bonds, will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of the Bonds. The nominee of the common depositary for Euroclear and Clearstream will be the sole registered holder of the Global Certificate representing the Bonds. Payments of principal, interest and other amounts owing on or in respect of the Global Certificate representing the Bonds will be made to the Principal Agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to accounts of participants that hold book-entry interests in the Global Certificate representing the Bonds and credited by such participants to indirect participants. After payment to the nominee of the common depositary for Euroclear and Clearstream, we will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear and Clearstream, and if you are not a participant in Euroclear and Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of Bonds under the Trust Deed.

Unlike the holders of the Bonds themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents, requests for waivers or other actions from holders of the Bonds. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear and Clearstream. The procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on a timely basis.

Similarly, upon the occurrence of an Event of Default (as defined in Condition 10), unless and until definitive registered bonds are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Bonds.

USE OF PROCEEDS

The Issuer intends to use the net proceeds from the issue of the Bonds, after deducting the underwriting commission and other estimated expenses payable in connection with the offering, for working capital and general corporate purposes including but not limited to repayment of existing loans, payment of vessel purchase fees and other loan lending costs.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth on an actual basis the Group's borrowings and capitalisation as at 30 June 2025 and as adjusted to give effect to the issuance of the Bonds before deducting the underwriting commission and other estimated expenses payable in connection with the offering of the Bonds. The table should be read in conjunction with the financial statements and the accompanying notes incorporated by reference in this Offering Circular.

	As at 30 June 2025			
	Actual		As adjusted	
	HK\$ (millions) (unaudited)	U.S.\$ ⁽¹⁾ (millions) (unaudited)	HK\$ (millions) (unaudited)	U.S.\$ ⁽¹⁾ (millions) (unaudited)
Indebtedness				
Bank borrowings	13,889.1	1,769.3	13,889.1	1,769.3
Bonds	10,369.8	1,321.0	10,369.8	1,321.0
Other borrowings	1,289.2	164.2	1,289.2	164.2
Bonds to be issued	—	—	2,338.0	297.8
Total indebtedness⁽²⁾	25,548.1	3,254.6	27,886.1	3,552.3
Total equity⁽³⁾	14,704.3	1,873.2	14,704.3	1,873.2
Total capitalisation⁽⁴⁾	40,252.4	5,127.8	42,590.4	5,425.5

Notes:

- (1) Amounts in HKD have been translated into U.S. dollars for convenience only at the rates of HK\$7.8499 to U.S.\$1.0, the exchange rate set forth in the H.10 statistical release of the Federal Reserve Board on 30 June 2025.
- (2) On 12 November 2025, the Issuer issued CNY1,000,000,000 1.95 per cent. guaranteed notes due 2028 guaranteed by the Company.
- (3) The total equity includes share capital, reserves and non-controlling interests.
- (4) Total capitalisation equals to the sum of total indebtedness and total equity.

Except as otherwise disclosed above, there has been no material adverse change in the capitalisation and indebtedness of the Group since 30 June 2025.

DESCRIPTION OF THE ISSUER

The Issuer, our wholly-owned subsidiary, is a business company incorporated under the Business Companies Act (Revised) of the British Virgin Islands with limited liability on 21 January 2015. The Issuer's registration number is 1859566. Its registered office is located at Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands and its telephone number is (+852) 2238 5299. Under the Issuer's memorandum of association, the Issuer has full power and authority to carry out any object not prohibited under any law for the time being in force in the British Virgin Islands. The Issuer's primary purpose is to act as one of our financing subsidiaries. The Issuer will remain our wholly-owned subsidiary as long as any Bonds are outstanding and will advance the net proceeds of the Bonds to us or our subsidiaries. The Issuer has no material assets.

The directors of the Issuer are Mr. Yi An, Mr. Ju Guo and Mr. Dongliang Wang. The business address of the Issuer's directors is 1801, 18/F, Worldwide House, 19 Des Voeux Road, Central, Hong Kong.

There are no potential conflicts of interest between the duties to the Issuer of the directors of the Issuer listed above and their private interests and/or duties.

The Issuer is authorised to issue a maximum of 50,000 shares of one class of no par value, 100 of which have been issued. No part of the equity securities of the Issuer is listed or dealt on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought. The Issuer has no subsidiaries.

The Issuer has not published, and does not propose to publish, any of its accounts since it is not required to do so under the laws of the British Virgin Islands. However, the Issuer is required to keep such accounts and records as its director considers necessary or desirable in order to reflect the financial position of the Issuer. Effective from 1 January 2023, the Issuer is also required to file a financial annual return with its registered agent within nine months after the end of each year to which the financial annual return relates.

DESCRIPTION OF THE GROUP

Overview

Established in 2012, we are the only red-chip listed company under CSSC Group. We stand as the premier shipyard-affiliated leasing company in Greater China and are among the foremost ship leasing companies in the world. Leveraging our close relationship with CSSC Group which possesses a robust industrial foundation and extensive maritime industry expertise, we are dedicated to expanding our leasing and investment operations in vessels and marine equipment, offering tailored and adaptable integrated shipping services, along with financial solutions, to ship operators, shippers, and traders worldwide.

Our core business is the provision of leasing services which include finance leases and operating leases. Leveraging our strong expertise in the marine industry, our leasing services primarily focus on ship leasing. In addition, we provide shipbroking and loan services to our customers. We have a diversified, modern and young vessel fleet. As at 30 June 2025, our fleet size was 143 vessels, including 121 vessels in operation and 22 vessels under construction. As at 30 June 2025, the average age of our vessels in operation was approximately 4.13 years and the average remaining life of the bareboat and long-term chartered projects (excluding current operational projects and leases expiring within one year) was 7.64 years. As at 30 June 2025, in terms of initial investment amount, offshore clean energy equipment, container vessels, liquid cargo vessels, bulk carriers and specialized vessels accounted for approximately 14.7%, 17.4%, 23.1%, 23.1% and 21.7% of our operating fleet portfolio, respectively. Leveraging our unique insights into the marine industry, we carefully allocate and adjust our fleet size, enabling our fleet stock to become more valuable and younger and our fleet structure to be further optimized.

As a leading market player in the global ship leasing industry, we offer customized ship leasing solutions that are tailored to our customers' different needs. In terms of the amount of leased vessels and lease contracts in 2024, we were ranked seventh in China's ship leasing industry.

We have exerted notable influence in the operating lease and finance lease industries by integrating ESG concepts into our business operations. Serving the national strategy of "clean energy", we have built a high-tech fleet featuring clean energy offshore equipment. As of 31 December 2024, we received a total of 15 new vessels, including three 16,000 TEU container vessels, four 1,100 TEU container vessels, four 1,600 TEU container vessels, three 93,000 cubic meters VLGCs and one LR2 refined oil tanker. Through our persistent efforts and commitment to promote green energy, we are the first company in the ship leasing industry to build a complete offshore clean energy storage and transportation system. We also innovated in green finance with the issuance of green and blue dual-certified U.S.\$-denominated bonds. We won several awards under the Hong Kong Green and Sustainable Finance Awards from Hong Kong Quality Assurance Agency (HKQAA) in 2021 and 2023, including the Pioneering Award for ESG Disclosure Contribution in 2023. We were awarded a score of 45 from S&P CSA and an A ESG rating for 2024 from Wind. Our ESG efforts were recognized by the SASAC, CSSC Group and other parties. The Company was included as an exemplary case in the "Central State-owned Enterprises Listed Companies ESG Blue Book 2024".

In 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our total revenue amounted to HK\$3,208.2 million, HK\$3,626.1 million, HK\$4,034.4 million (U.S.\$513.9 million), HK\$1,965.8 million and HK\$2,018.0 million (U.S.\$257.1 million), respectively. For the same periods, our net profit was HK\$1,734.5 million, HK\$1,911.7 million, HK\$2,155.1 million (U.S.\$274.5 million), HK\$1,339.9 million and HK\$1,151.2 million (U.S.\$146.7 million), respectively.

Recent Developments

Entry into Shipbuilding Agreements

On 16 July 2025, Fortune Propulsion Shipping Limited and Fortune Prosperity Shipping Limited (both being indirect wholly owned special purpose vehicles of the Company) as buyers and CSSC Qingdao Beihai Shipbuilding Company Limited (中國船舶集團青島北海造船有限公司), and China Shipbuilding Trading Company Limited (中國船舶工業貿易有限公司) as builders entered into two shipbuilding agreements on substantially the same terms for the construction of two vessels at a consideration of RMB528 million for each vessel and for an aggregate consideration of RMB1,056 million.

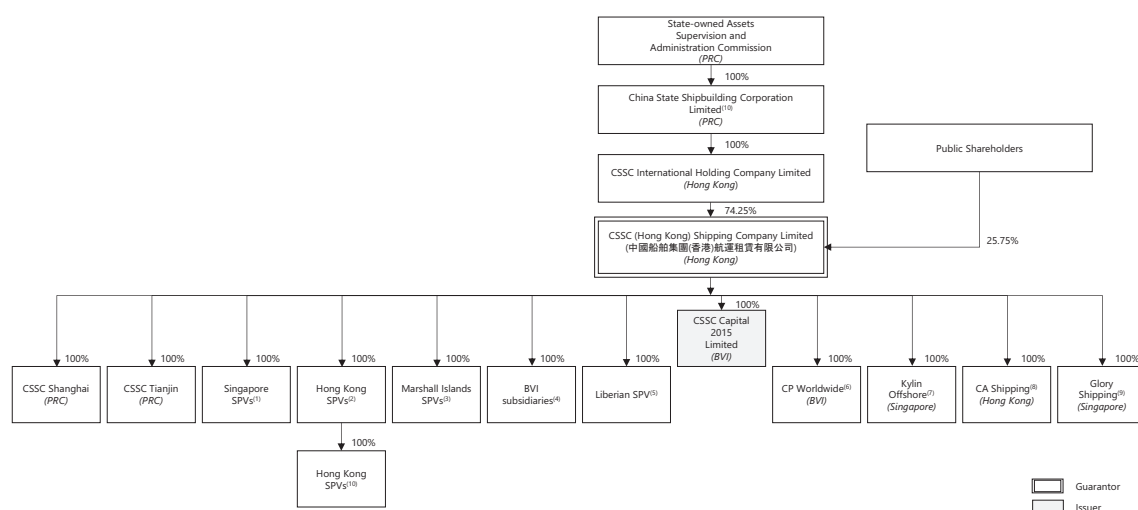
Change of Auditor

Effective from 27 November 2025, Grant Thornton Hong Kong Limited (“**Grant Thornton**”) has resigned as the auditor of the Company, as the Company and Grant Thornton were unable to reach a consensus on the audit fee for the annual audit of the Company for the financial year ending 31 December 2025 (the “**2025 Audit**”). Baker Tilly Hong Kong Limited (“**Baker Tilly**”) as the new auditor of the Company following the resignation of Grant Thornton, was appointed with effect from 27 November 2025 and to hold office until the conclusion of the next annual general meeting of the Company.

In the resignation letter of Grant Thornton dated 27 November 2025, it has confirmed in writing that, except for the matter mentioned above, there are no matters in connection with its resignation that should be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and the creditors of the Company (the “**Creditors**”). The Board and the Audit Committee of the Company confirm that, save for the audit fee for the 2025 Audit as disclosed above, there is no other disagreement or dispute between the Company and Grant Thornton and there are no matters or circumstances in respect of the resignation of Grant Thornton that need to be brought to the attention of the Shareholders, the Creditors and the Hong Kong Stock Exchange.

Simplified Group Structure

The following chart illustrates our simplified corporate structure as at the date of this Offering Circular, listing certain of our major subsidiaries and jointly controlled entities:



Notes:

- (1) There are three Singapore SPVs directly and wholly-owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司), namely Fortune Vgas Holding Pte. Ltd., Fortune Xinli Shipping Pte. Ltd. and Fortune Pandas Gas Holding Pte. Ltd.

- (2) There are 20 HK SPVs directly and wholly-owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司), namely New Pearl River Shipping Limited, Fortune Sealion Holding Company Limited, Fortune FSRUEM Holding Company Limited, Fortune FSRUGV Holding Company Limited, Fortune GLORIOUS Shipping Limited, Fortune CGAS Holding Company Limited, Fortune Escalation Holding Company Limited, Fortune Suisse Holding Company Limited, Fortune July Holding Company Limited, Fortune Duration Shipping Holding Limited, Fortune Virtue Shipping Holding Limited, Fortune Oslo Holding Company Limited, Fortune MGAS Holding Co., Ltd., Fortune Nirvana Holding Co., Ltd., Fortune FUGUI Holding Co., Ltd., Fortune WINGCHUN Holding Co., Ltd., Fortune Hana Holding Co., Ltd., Fortune Vcontainer Carriers Limited, Fortune Ropax Holding Co., Ltd. and Fortune Visionary Holding Company Limited.
- (3) There are five Marshall Islands SPVs directly and wholly-owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司), namely Fortune Vigorous Holding Company Limited, Fortune Clean Energy 2023 Holding Limited, Fortune Energetic Holding Co., Ltd, Fortune CSASP Holding Company Limited and Fortune Xinyue Holding Company Limited.
- (4) In addition to the Issuer, there are 24 BVI subsidiaries directly and wholly-owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司), namely CSSC Capital 2015 Limited, CHC Holding Company Group Limited, Fortune 2014 Holding Company Limited, Putuoshan Holding Company Limited, Fortune Mercury Holding Company Limited, Fortune Jupiter Holding Company Limited, Fortune Venus Holding Company Limited, Fortune Pluto Holding Company Limited, Fortune Neptune Holding Company Limited, Fortune Ceres Holding Company Limited, Fortune Eris Holding Company Limited, Fortune Capricorn Holding Company Limited, Fortune Aquarius Holding Company Limited, Fortune East Sea Holding Company Limited, Fortune Tianxia Holding Company Limited, Fortune Baltic Holding Company Limited, Fortune CD Aurora Holding Company Limited, Fortune Victoria Peak Holding Company Limited, Fortune Evolution Investments Company Limited, Fortune Cleanenergy Holding Company Limited, Fortune Glorious Cities Holding Company Limited, Fortune Fancy Holding Limited, Fortune HLC Holding Co. Ltd. and Fortune SSCBC Holding Co., Ltd.
- (5) There is one Liberian SPV directly and wholly-owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司), namely Fortune Istanbul Holding Limited.
- (6) CP Worldwide Holding Co., Ltd. is 75% directly owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司) and 25% owned by a Liberian company, which is an independent third party.
- (7) Kylin Offshore Engineering Pte. Ltd. is 70% directly owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司) and 30% directly owned by a company incorporated in Singapore, which is an independent third party.
- (8) CA Shipping Pte. Ltd. is 60% directly owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司) and 40% owned by an independent third party.
- (9) Glory Shipping Pte. Ltd. is 35% directly owned by CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司) and 65% directly owned by an independent third party.
- (10) There are a total of 42 HK SPVs directly and wholly-owned by 20 HK SPVs, namely Fortune Sealion I Limited, Fortune Sealion II Limited, Fortune Sealion III Limited, Fortune Sealion IV Limited, Fortune Antwerp Company Limited, Fortune GENTLE Shipping Limited, Fortune Leopard Shipping Limited, Fortune Grit Shipping Limited, Fortune Geneva Shipping Limited, Fortune Zurich Shipping Limited, Fortune Grind Shipping Limited, Fortune Lily Shipping Limited, Fortune Osmanthus Shipping Limited, Fortune Civilization Carriers Limited, Fortune Freedom Carriers Limited, Fortune Integrity Carriers Limited, Fortune Equality Carriers Limited, Fortune Harmony Carriers Limited, Fortune Friendship Carriers Limited, Fortune Dedication Carriers Limited, Fortune Prosperity Carriers Limited, Fortune Chem1 Shipping Limited, Fortune Chem2 Shipping Limited, Fortune Chem3 Shipping Limited, Fortune Chem4 Shipping Limited, Fortune Chem5 Shipping Limited, Fortune MGAS I Shipping Limited, Fortune MGAS II Shipping Limited, Fortune MC Hercules Shipping Limited, Fortune MC Titan Shipping Limited, Fortune AN Shipping Limited, Fortune CITRUS Shipping Limited, Fortune COCONUT Shipping Limited, Fortune LYCHEE Shipping Limited, Fortune PINEAPPLE Shipping Limited, Fortune PING Shipping Limited, Fortune COLLIE Shipping Limited, Fortune TEDDY Shipping Limited, Fortune Mudanjiang Shipping Limited, Fortune Nanjing Shipping Limited, Fortune Suqian Shipping Limited, Fortune Ropax I Shipping Limited and Fortune Ropax II Shipping Limited.
- (11) CSSC Group will not provide any guarantee or any form of credit enhancement for the offering of the Bonds and it has no obligation to and will not assist the Issuer or the Guarantor to repay the Bonds.

Our Strengths

We believe that our historical success and future prospects are directly related to a combination of our strengths, including the following:

We are one of the world's leading ship leasing companies and enjoy wide recognition.

Established in 2012, we are the only red-chip listed company under CSSC Group. We stand as the premier shipyard-affiliated leasing company in Greater China and are among the foremost ship leasing companies in the world. Leveraging our close relationship with CSSC Group which possess robust industrial foundation and extensive maritime industry expertise, we are dedicated to expanding our leasing and investment operations in vessels and marine equipment, offering tailored and adaptable integrated shipping services, along with financial solutions, to ship operators, shippers, and traders worldwide.

We continued to deepen the reform as a state-owned enterprise with a market-oriented approach in general. We have formulated a special action plan for the Company and a list of work tasks to create value for world-class enterprises. The majority of our project partners are overseas customers and our vessels are sailing all over the world. We have established close ties with a large number of international maritime and financial institutions. Through our regular exchanges and cooperation with them, we have established an extensive international network that helps us to quickly grasp industry information and seize market opportunities.

In recognition of our outstanding business performance, established market presence and strong development potential, we were recognized as a “benchmark enterprise” in the assessment of “double hundred enterprises” of SASAC in 2022 and 2023. We were also awarded the recognition of “excellent” in the evaluation of the Board of China State Shipbuilding Corporation Limited in 2023 and named the Board of the Year in 2022. We were awarded a score of 45 from S&P CSA and an A ESG rating for 2024 from Wind. The ESG efforts were recognized by the SASAC, CSSC Group and other parties. The Company was included as an exemplary case in the “Central State-owned Enterprises Listed Companies ESG Blue Book 2024”.

As a shipyard-affiliated leasing company, we have a unique competitive edge through our strong connection with the parent company.

As the first and a premier shipyard-affiliated leasing company in Greater China, we leverage our synergies and close business relationships with shipyards, and possess updated information on the supply and demand in the marine market and our customers' needs, which allows us to capture business opportunities in a timely manner. As at the date of this Offering Circular, we have been maintaining cooperation with over 13 shipyards for the provision of ship leasing services to approximately 50 customers in multiple countries and regions. In 2024 and the six months ended 30 June 2025, we also helped CSSC Group obtain 14 and six new shipbuilding orders with a contract value of approximately U.S.\$1.17 billion and U.S.\$308.32 million, respectively. We work closely with shipyards to dig deeper into customers' needs in order to provide professional, one-stop and customised leasing services.

As the only red-chip listed company under CSSC Group, we are significant to CSSC Group for implementing their corporate strategy of “combination of industry and finance (產融結合)” and also benefit from this corporate strategy. CSSC Group is a world-class and leading state-owned shipbuilding conglomerate in the PRC, and is a Fortune Global 500 and Fortune China 500 company in 2024. CSSC Group owns a large number of shipbuilding and ship repair corporations, ship design and research institutions, marine support service providers as well as ship trading companies in the PRC, and its resources encompass the entire value chain of the marine industry.

We benefit from the stable supply of high quality shipbuilding services from CSSC Group and its subsidiaries. In the past few years, we have ordered various type of vessels from CSSC Group and its subsidiaries, including ultra-large container ship, bulk carrier, polar module carrier, VLGC, heavy-lift ship, LRI product tanker and LRII product tanker. We also benefit from the technical capabilities of CSSC Group, which had several leading research and design institutes in China's shipbuilding industry. In addition, CSSC Group provides us with credit support, such as credit lines and guarantees, and funding via share capital injection.

We have strong expertise and extensive experience in the marine industry, which allows us to capture business opportunities and enhance environmental engagement.

We possess insights into the cyclical conditions of various marine market segments. We are able to grasp industry fluctuations, which allows us to capture cyclical profits. Leveraging our robust expertise and strong industrial background in the marine business, we focus on developing our ship and marine equipment leasing business, and have maintained close relationships with customers in 13 countries and regions around the world. Through cautious lease arrangements, accurate timing and sensible cost control, we achieved higher returns as compared to market benchmarks in 2023 despite market volatility since 2022.

Our extensive industry experience and strong industry background have enabled us to lead the industry by enhancing our environmental engagement. We are the first leasing company to have established a business layout in relation to offshore clean energy. We have also expanded into the field of clean energy offshore equipment and are the first company in the leasing industry to build a complete offshore clean energy storage and transportation system. We actively launch new ships by leveraging our advantages. We focus on the clean energy field, continue to develop the ship types and equipment in the LNG transportation industry chain, and actively arrange the launch of new energy powered ship types. In 2015, we entered into the clean energy industry and provided finance lease services for a FLNG. In 2019, we invested in four 174,000 cubic meters LNG carriers and upgraded the clean energy industry strategy as one of our core strategies. We had seven large-scale joint venture LNG carriers under construction in total as of 30 June 2025.

In addition, we emphasize the use of biofuels to promote the low-carbon ship transformation. Our “CSSC-Amsterdam” ship has conducted a marine trial of 310 tonnes of B30 biofuel and achieved a satisfactory success. According to the statement issued by DNV Classification society for this trial, the reduced carbon dioxide emission was 274 tonnes, which was approximately 23.8% less than traditional fuel oil. In 2024, we utilised 170MWh of renewable energy in international renewable energy certificates purchased from a third-party energy supplier.

Leveraging our first-mover advantage, we believe that we are well positioned to capture the development potential of this new area of the industry.

Our comprehensive risk management system has allowed us to achieve stability in asset quality.

As a leading ship leasing company in Greater China, we have established a comprehensive and effective risk management system, which allows us to maintain sound operations and achieve stability in asset quality. As at 30 June 2025, we made provision for impairment loss on loan and lease receivables of HK\$557.6 million (U.S.\$71.0 million), which comprised 12-month expected credit loss of HK\$122.9 million (U.S.\$15.7 million) for assets under stage 1 and lifetime expected credit loss of HK\$256.8 million (U.S.\$32.7 million) and HK\$177.9 million (U.S.\$22.7 million) for assets under stage 2 and stage 3, respectively.

Our risk management system covers various types of risks involved in our business operations. We apply quantitative risk assessment model in project assessment, pricing and review, as well as post-loan management, among others. We also continue to monitor the development of international sanctions, track global regulatory developments in export control and economic sanctions in a systematic manner. To reduce compliance risks, we have established a compliance management system pursuant to our Compliance Management Measures (合規管理辦法) to ensure that our business operations are in compliance at every major stage.

Our continuous optimisation of our asset portfolio has allowed us to attain progressive growth in fleet value and enjoy performance stability.

As at 30 June 2025, we (including joint ventures and associates) owned a total of 143 vessels, comprising 21 offshore clean energy equipment, 25 container vessels, 33 liquid cargo vessels, 33 bulk carriers and 31 specialized vessels.

The demand for container vessels, liquid cargo vessels and bulk carriers, being the three major vessel types, is primarily influenced by macro-economic and trade environment, whereas the demand for offshore clean energy equipment and specialized vessels, being vessels in the clean energy sector, is mainly influenced by the energy, oil and gas industries. In 2023, despite soaring vessel prices, extended charter periods and a constrained supply of vessels, financial leasing companies flocked into the vessel leasing market which led to intensified competition in the industry. We have adopted a prudent approach by maintaining a balanced vessel portfolio. In line with the overall trend in zero-carbon emissions, we focus on high value-added assets such as clean energy equipment. Our balanced vessel portfolio creates a hedging effect among them and allows us to diversify our risk exposure and enjoy performance stability.

Leveraging our extensive experience in the marine industry and through the sharing of customer databases with various shipyards, we possess information on the performance of a large number of customers in multiple rounds of industry cycles, which facilitates our assessment of the performance risks of our customers. Our customers are of high quality and they include (i) a French container transport giant; (ii) the world's largest refined oil transporter, which is a listed company in the United States; (iii) one of the world's largest grain merchants and a Fortune Global 500 company; (iv) the largest bulk carrier owner and a listed company in the United States; (v) two transport giants for the oil and gas industries, which are listed companies in the United States; and (vi) the largest integrated conglomerate in Singapore.

We have an experienced, committed and professional management team.

Our success is built on the leadership of our experienced, committed and professional management team. Our management team has an average of 25 years of experience in the marine industry, and possesses solid experience and strong expertise in vessel selection and combination, leasing transactions, technical review, risk management as well as lease management. In particular, Mr. Li Hongtao, our Executive Director, has more than 25 years of experience in the marine industry, and his strong execution capabilities have allowed us to develop and pursue sustainable business strategies, seize market opportunities as well as anticipate and promptly respond to changes in market conditions. See “*Directors and Senior Management*” in this Offering Circular for more information on the experience and qualifications of our Directors and members of our senior management. We believe that the insight and strategic vision of our management team will continue to bring in business growth and profitability, thereby solidifying our market position in the global ship leasing industry.

Furthermore, since we have employees based in important shipping hubs such as Hong Kong, Shanghai and Singapore, we are able to grasp the opportunities in the global ship leasing industry, and actively pursue and develop new business opportunities in the marine economy.

We benefit from regional and national policies.

As one of the world's leading ship leasing companies, we believe that we are well positioned to seize the business opportunities brought by the favourable regional and national policies.

Marine economy – According to the PRC's “14th Five-Year Plan for Marine Economy Development (十四五海洋經濟發展規劃)”, by 2025, China's gross marine production is expected to increase. As an important participant in China's marine economy, we will make use of our extensive experience in the vessel and offshore equipment sectors as well as the competitive advantages of our leasing business to capture new business opportunities in the marine economy.

Shipbuilding Industry – In December 2023, Chinese government published an action outline for green development of shipbuilding industry, which sets out various outlines for facilitating the green development and transformation of the shipbuilding industry. As an important participant in China's shipbuilding industry, we believe we can benefit from this policy and continue to develop our green energy business.

Belt and Road Initiatives and long-term strategic cooperation between China and Africa – China's major national development strategies of the Belt and Road Initiatives and China-Africa strategic cooperation have brought business opportunities overseas. Since 2015, we have been providing leasing services for two polar class heavy-transport deck carriers, which are vessels for transporting module parts of a construction project to polar regions, to serve in the world's then largest natural gas field, and to a leading offshore LNG operator listed in the United States for a FLNG conversion unit based in Cameroon, which is the world's first FLNG conversion project.

Hong Kong government's policies that benefit the ship leasing industry – In May 2018, the Financial Services Development Council of Hong Kong published a research report entitled "Maritime Leasing Paper", which sets out various recommendations for facilitating the development of Hong Kong's ship financing and leasing businesses. As a ship leasing company based in Hong Kong, we believe that we will benefit from the Hong Kong government's policies that benefit the ship leasing industry.

Our Strategies

To solidify our position as a leading company in vessel and marine equipment leasing, we plan to implement the following strategies:

To continue to focus on ship leasing and develop professional and high-value businesses

The global seaborne trading volume has experienced volatility since 2022. We expect the seaborne trading volume will bounce back gradually with the post-COVID-19 recovery in travel activities. Such an increase is likely to boost the demand for marine services. Under the expected favourable industry developments, we intend to make use of our substantial expertise in the marine industry and our existing business relationships with upstream and downstream industry participants (e.g. shipyards, ship operators, trading companies and energy corporations) to ensure performance of lease agreements, which will provide us with long-term and stable cash flow. We also endeavour to adopt professional and flexible leasing strategies. We will continue to understand and analyse the demands of lessees from different backgrounds in terms of allocation of ships and offshore equipment, and design leasing structures that best suit their needs.

We will continue to utilise our expertise and resources as a shipyard-affiliated leasing company to optimise our asset structure. Leveraging our unique insights into the marine industry, we will continue to make use of the complementarity among the cycles of different ship types to build a vessel portfolio which brings stable income and minimises our risk exposure. In particular, we plan to focus on further developing our operating lease business, which we believe will allow us to better utilise our advantages as the first shipyard-affiliated leasing company in Greater China.

As we seek to strengthen our market position through undertaking traditional projects, we also plan to invest in high-value projects that have strong market demand and development potential as well as require a high level of technological expertise and value-added content (e.g. projects in relation to the marine resource development and application industry chain). We believe that such initiatives will enable us to provide quality and comprehensive leasing services to both domestic and overseas top-notch ship operators, shipping companies, trading companies as well as energy corporations.

To cope with changes in the global energy landscape and comprehensively deploy the new energy industry chain

With the global energy landscape undergoing profound adjustments, new energy types such as LNG and shale gas are gaining popularity. Going green and low carbon have been key trends in the shipping industry. In December 2022, a preliminary agreement was reached within the European Union, calling for the inclusion of the shipping industry under European Union carbon market's control, where shipping companies are required to pay for the carbon emissions of their vessels. In 2023, CII and EEXI policies came into force, and IMO adjusted its emission reduction target from the previous 50% reduction in emissions by 2050 to net zero emissions by around 2050. Decarbonizing the shipping industry will necessitate upgrades and overhauls of energy sources, technological advancements, the accelerated retirement of obsolete vessels, stimulation of new vessel orders, and the maintenance of a high level of activity in the shipbuilding market.

In view of the market trend and policy requirements, we have conducted compliance evaluations on more than 30 vessels under our self-management, and planned ahead for any modification or disposal required for the poorly performed vessels to minimize negative impacts. We strive to continue to deepen our business layout in the clean energy sector, by developing vessel types and equipment in the LNG transportation industry chain and actively launching new energy-power ship types. We attend to IMO requirements and will continue to formulate IMO carbon reduction measures to improve our CII rating of ships. From 2024 to 2027, we plan to install more cost-effective energy-saving hub hats and fan-shaped catheters during the dry-docking period for ULTRAMAX bulk carriers, which is expected to increase CII's acquisition value by approximately 5%. From 2025 to 2026, we plan to install more cost-effective energy-saving hub hats and fan-shaped catheters during the dry-docking period for our MINI-CAPE bulk carrier, which is expected to increase CII's acquisition value by approximately 5%.

We will also strive to focus on the offshore equipment sector and natural gas affiliated chemical industry chain, bringing our industry resources and professionalism as a shipyard-affiliated leasing company into play, as well as establishing high-value and high-tech industry-leading entry barriers.

To diversify our financing channels and stabilise our finance costs

Going forward, we intend to diversify our financing channels, obtain more project and working capital loans and conduct financing activities according to market conditions and interest rate trends. We will obtain financing through different channels, including bank loans and syndicated loans from large banks, policy banks and international commercial banks, as well as bond issuances. Over the years, we have developed a close relationship and established business cooperation in credit and settlement with various banks, including state-owned and policy-based banks as well as Chinese and foreign banks, many of which have also financed our leasing projects with long-term project loans, which effectively reduce our liquidity risks and finance costs. As at 30 June 2025, the credit lines granted to us by various financial institutions amounted to HK\$34.8 billion (approximately U.S.\$4.5 billion), of which HK\$15.2 billion (approximately U.S.\$2.0 billion) had been used and HK\$19.7 billion (approximately U.S.\$2.5 billion) were unused. In addition, we have a sophisticated project financing model, quality lessees and excellent asset quality, which allow us to enjoy a stable cash flow from our leasing business. We will continue to work closely with our financing partners to expand our financing channels and stabilise our finance costs.

In order to stabilise our finance costs, we will continue to prudently manage the exchange rate and interest rate risks. In addition, we will strictly monitor our financing channels under the guidance of our Board or senior management.

To continue to develop our non-ship leasing business

The marine industry is cyclical. In order to manage the relevant risks, we intend to strengthen our capabilities in withstanding risks through diversification of our leasing business as well as upstream and downstream extension of the industry chain. In this connection, we plan to develop our non-ship leasing

business in areas such as ship-related equipment, marine economy (including fisheries, seawater treatment and marine tourism), manufacturing equipment, medical equipment, energy and power industry, energy-saving and environmental protection industry as well as information technology industry. We intend to identify two to three target industries as core areas for the long-term development of our non-ship leasing business. For example, we plan to develop customers from agriculture, oil, energy and chemical industries and assist them to build self-operated fleets. In view of the strong market demand and development potential of the marine industry, we will also consider expanding our business into high-value marine economic projects, such as marine resource development, smart vessels and project relating to marine technology application.

Our History and Development

Overview

Our Group's history dates back to the year of 2012 when our Company was incorporated in Hong Kong to serve as the sole leasing company under China State Shipbuilding Industry Corporation Limited (中國船舶工業集團有限公司), which was merged into the CSSC Group in 2019. As the first and a premier shipyard-affiliated leasing company in Greater China, we leverage our unique insights into the marine industry and offer customised ship leasing solutions to customers.

In order to capture the business opportunities brought about by the increasing demand for ship leasing services in the PRC, CSSC Shanghai and CSSC Tianjin were established in the PRC in 2014. Kylin Offshore was established in 2014 between a Singapore-incorporated company which is an independent third party and us. Over the years, we have continued to expand our scale of operations as well as our vessel portfolio. In terms of the amount of leased vessels and lease contracts in 2024, we were ranked seventh in China's ship leasing industry.

Key Milestones

The key milestones in the development of our business are set out below:

Year	Event
2012	<ul style="list-style-type: none"> • Our Company was incorporated in Hong Kong as the sole leasing company under CSSC Group.
2013	<ul style="list-style-type: none"> • We entered into an operating lease transaction for three 18,000-TEU container vessels with a leading global shipping group. • We established a joint-venture company, CP Worldwide, with an independent third party to invest in eight 64,000-tonne bulk carriers. • We entered into a finance lease transaction for three 208,000-tonne bulk carriers with certain subsidiaries of a global shipping company.
2014	<ul style="list-style-type: none"> • CSSC Shanghai and CSSC Tianjin were established in the PRC to engage in the provision of leasing services. • We entered into a finance lease transaction for seven 208,000-tonne bulk carriers with certain subsidiaries of a global shipping company. • Kylin Offshore was incorporated in Singapore to engage in the provision of leasing and shipbroking services.
2015	<ul style="list-style-type: none"> • We entered into a sale-and-leaseback transaction for eight 113,000-tonne tankers with certain subsidiaries of an international shipping company engaging in the transportation of petroleum products.

Year	Event
	<ul style="list-style-type: none"> We entered into a sale-and-leaseback transaction for a FLNG vessel with a subsidiary of a LNG shipping company, whose parent company is listed on the New York Stock Exchange. We entered into an operating lease transaction for six 13,230-tonne heavy lift vessels with a subsidiary of a global corporation engaging in the transportation of heavy-lift cargoes.
2016	<ul style="list-style-type: none"> The two polar class heavy-transport deck carriers that we jointly invested in with a subsidiary of an equipment manufacturer were delivered and began to serve in the world's then largest natural gas field. We invested in two 85,000-cubic metre gas carriers.
2017	<ul style="list-style-type: none"> We established a joint-venture company, namely Vista Shipping Limited, with an international tanker company, which is an independent third party, to invest in six tankers. We invested in four 81,600-tonne bulk carriers. We entered into a sale-and-leaseback transaction for two 174,000-cubic metre FSRUs with certain subsidiaries of a company engaging in the operation of LNG carriers.
2018	<ul style="list-style-type: none"> We established a joint-venture company with a subsidiary of a leading Asian-based industrial supply chain and logistics solution provider to invest in eight 55,000-tonne chemical tankers. We entered into an operating lease transaction for four 120,000-tonne bulk carriers with a subsidiary of a global agricultural trader. Our Company was included in the list of “Double-Hundred Enterprises (雙百企業)” published by the leading group for state-owned enterprise reform under the Supervision and Administration Commission of the State Council (國務院國有企業改革領導小組).
2019	<ul style="list-style-type: none"> Certain of our subsidiaries entered into memorandum of agreements and bareboat charters in connection with the sale and lease back of vessels with respective charterers. We entered into an operating lease transaction for six 13,230-tonne heavy lift vessels. We entered into a sale and leaseback transaction for one 140,000-cubic metre FSRU, four 95,000-tonne bulk carriers, two 1,400-TEU dual fuel container vessels. We established CSSC Financial Leasing (Guangzhou) Company Limited (中船融資租賃(廣州)有限公司), which will principally engage in leasing business in the PRC. We successfully listed on the Hong Kong Stock Exchange, raising HK\$2.05 billions.

Year	Event
	<ul style="list-style-type: none"> CSSC Financial Leasing (Shanghai) Company Limited, one of our wholly-owned subsidiaries, formed a joint venture, Zhendui Industrial Intelligent Technology Co., Ltd., with several other parties, which principally engage in the research and development of industrial intelligent technology for ships and marine equipment, as well as the design, manufacturing or operation of intelligent ship systems.
2020	<ul style="list-style-type: none"> The first full year of our Group's listing on the Main Board of the Stock Exchange. S&P Global Ratings and Fitch Ratings continued to assign corporate credit ratings of "A-"/stable and "A"/stable, respectively, to the Group. The Group successfully issued USD-denominated bonds in an aggregate amount of U.S.\$800 million with an average annual interest rate of 2.75%. We entered into a financial leasing project for four 86,000 cubic meter dual-fuel of VLGC carrier.
2021	<ul style="list-style-type: none"> Cooperated with the Standard Chartered Bank and obtained a 10-year vessel secured term loan in an aggregate amount of U.S.\$596 million. The Group was included in the MSCI China Small Cap Index. The Group successfully issued its first overseas green and blue dual-certified bonds in the principal amount of U.S.\$500 million and tenor of 5 years. The Group won the "Global Green Finance Innovation Awards" by International Finance Forum.
2022	<ul style="list-style-type: none"> In the SASAC's special assessment of the "double hundred enterprises" of the central enterprises in 2022, the Company was awarded the "benchmark" by the judges. The power plant transformation of four liquefied petroleum gas carriers (VLGC) was carried out, which was the first dual-fuel upgrading project attempted in China. Signed the "LNG Ship Leasing Cooperation Principle Agreement" with well-known central enterprises to jointly promote national energy security.
2023	<ul style="list-style-type: none"> We have established an energy transportation company, and completed the transfer of equity in 44 vessel assets in operation. Fitch Ratings and S&P Global Ratings continued to assign "A" credit rating and "A-" credit rating respectively for five consecutive years.

Year	Event
	<ul style="list-style-type: none"> The Company was awarded the “Hong Kong Stock Golden Bull Award” by China Securities Journal.
2024	<ul style="list-style-type: none"> We successfully issued offshore RMB-denominated bonds in principal amount of RMB800 million. We won the IFF Global Green Finance Award – Annual Award. We ranked in the top 9% of the industry in the S&P Global Sustainability Assessment.
2025	<ul style="list-style-type: none"> We ranked on Fortune China ESG Impact List for the third consecutive year. We successfully issued offshore RMB-denominated bonds in principal amount of RMB1 billion.

Our Business

Our business principally includes the provision of (i) leasing services, including finance lease services and operating lease services; (ii) shipbroking services; and (iii) loan services. Our leasing services primarily focus on ship leasing, and we offer the options of finance lease and operating lease. The following table sets out a breakdown of our revenue in 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 by business activity:

	Year ended 31 December						Six months ended 30 June					
	2022		2023		2024		2024			2025		
	HK\$'000	%	HK\$'000	%	HK\$'000	U.S.\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	U.S.\$'000 (Unaudited)	%
Operating lease income.	1,842,702	57.4	1,819,906	50.2	2,235,972	284,841	55.4	1,047,123	53.3	1,208,824	153,992	59.9
Finance lease income . .	784,504	24.5	1,171,775	32.3	1,219,700	155,378	30.3	619,906	31.5	549,995	70,064	27.3
Interest income from loan borrowings ⁽¹⁾ .	524,032	16.3	606,095	16.7	545,152	69,447	13.5	276,400	14.1	236,632	30,145	11.7
Commission income. . .	57,004	1.8	28,372	0.8	33,545	4,273	0.8	22,342	1.1	22,514	2,868	1.1
Total	3,208,242	100.0	3,626,148	100.0	4,034,369	513,939	100	1,965,771	100.0	2,017,965	257,069	100

Note:

(1) Including pre-delivery loans.

Leasing Services

We provide tailored and flexible leasing services to our customers with the options of finance lease and operating lease. Leveraging our strong expertise in the marine industry, our leasing services primarily focus on ship leasing. As a leasing service provider primarily focusing on ship leasing, our business may be materially and adversely affected by the marine cycle. For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our lease income, comprising finance lease income and operating lease income, amounted to HK\$2,627.2 million, HK\$2,991.7 million, HK\$3,455.7 million (U.S.\$440.2 million), HK\$1,667.0 million and HK\$1,758.8 million (U.S.\$224.1 million), respectively, accounting for 81.9%, 82.5%, 85.7%, 84.8% and 87.2% of our total revenue, respectively.

As at 30 June 2025, our fleet size was 143 vessels, including 121 vessels in operation and 22 vessels under construction.

(i) *Finance Lease*

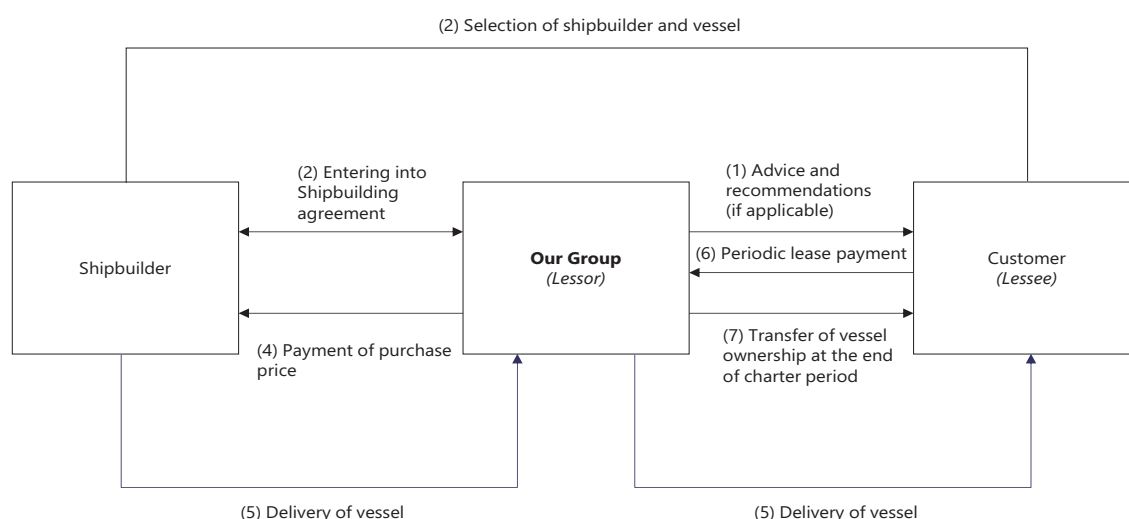
Finance lease refers to a leasing model whereby the lessor purchases an asset according to the lessee's specific requirements and choice of supplier or the lessor purchases an asset from the lessee, and then leases it to the lessee for periodic lease payments. A lease is classified as a finance lease if the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset (including its residual value) to the lessee.

In 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our finance lease income was HK\$784.5 million, HK\$1,171.8 million, HK\$1,219.7 million (U.S.\$155.4 million), HK\$619.9 million and HK\$550.0 million (U.S.\$70.1 million), respectively, accounting for 24.5%, 32.3%, 30.3%, 31.5% and 27.3% of our total revenue, respectively. Our finance lease is further categorised into direct finance lease and sale-and-leaseback. The increase in finance lease income from 2022 to 2024 was mainly due to the (1) increase of SOFR as most of our finance lease is based on floating rates with reference to SOFR and (2) new finance lease contracts engaged by the Group. The decrease in finance lease income from the six months ended 30 June 2024 to the six months ended 30 June 2025 was primarily due to completion of finance lease projects in the second half of 2024 and the first half of 2025.

In respect of our finance lease transactions, our customers are generally not allowed to enter into any sub-chartering arrangement without obtaining our prior written consent or first informing us of such arrangement.

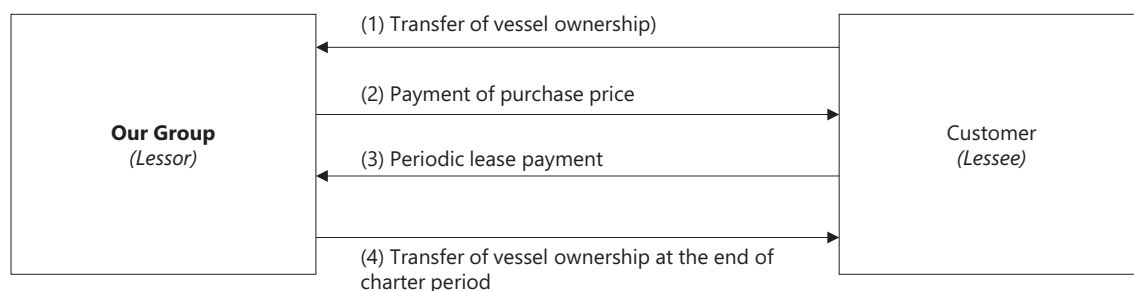
Direct finance lease

In a typical direct finance lease transaction, leveraging our strong expertise in the marine industry, we provide advice and recommendations to our customer to assist its selection of vessel. We enter into a shipbuilding agreement with the shipbuilder designated by our customer for the construction of the vessel according to our customer's specific requirements. We then lease the vessel to our customer for use in return for periodic lease payments. At the end of the charter period, our customer is obliged to purchase the leased vessel at a fixed price. The title ownership of the leased vessel remains with us until we transfer the same to our customer at the end of the charter period. The following diagram illustrates the relationship among the lessor, the lessee and the shipbuilder in a typical direct finance lease transaction:



Sale-and-leaseback

In a typical sale-and-leaseback transaction, we purchase our customer's vessel at a negotiated price and then lease it back to our customer in return for periodic lease payments. At the end of the charter period, our customer is obliged to purchase the leased vessel. The title ownership of the leased vessel remains with us until we transfer the same to our customer at the end of the charter period. The following diagram illustrates the relationship between the lessor and the lessee in a typical sale-and-leaseback transaction:



Major terms of direct finance lease and sale-and-leaseback agreements

The direct finance lease and sale-and-leaseback agreements we enter into with our customers for ship leasing are legally binding and generally include the following major terms:

	<u>Direct finance lease agreement</u>	<u>Sale-and-leaseback agreement</u>
Vessel sale:	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> The agreement will contain details in relation to the sale of the vessel by the lessee to us, including the purchase price, the payment terms as well as the delivery time and place.
Charter period: . . .	<ul style="list-style-type: none"> The agreement will specify the charter period, which generally ranges from five to 10 years. 	
Charter payment: .	<ul style="list-style-type: none"> The lessee will, on each payment date during the charter period, pay us for the lease and use of the vessel. The amount payable by the lessee on each payment date is generally (i) a pre-determined amount; or (ii) a pre-determined amount plus interest accrued on the outstanding principal, which is calculated with reference to the applicable interest rate (i.e. fixed rate or SOFR or LIBOR plus a margin). We generally require payment to be made on a monthly or quarterly basis. 	

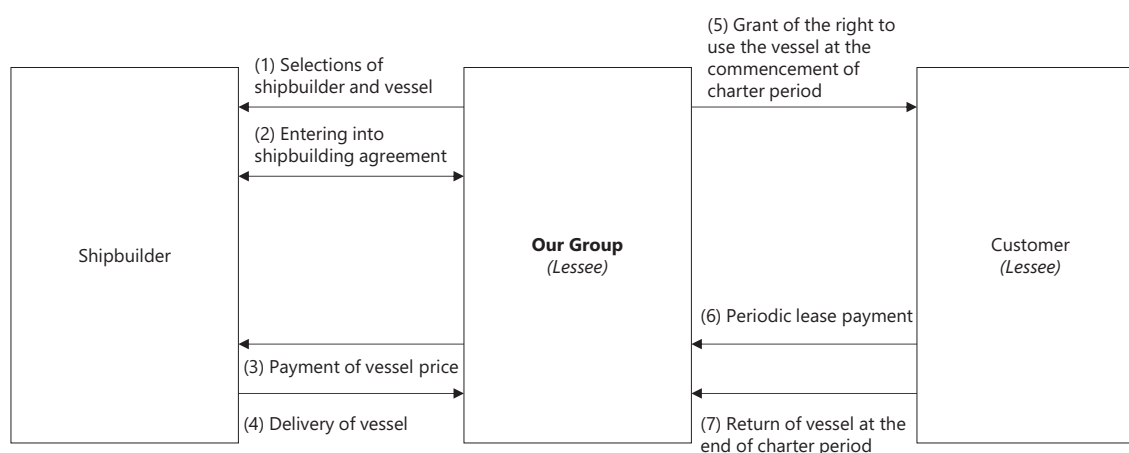
	<u>Direct finance lease agreement</u>	<u>Sale-and-leaseback agreement</u>
Vessel delivery and acceptance:	<ul style="list-style-type: none"> Upon the delivery of the vessel in accordance with the shipbuilding agreement and the satisfaction of certain conditions, the lessee will be deemed to have accepted and taken delivery of the vessel. 	<ul style="list-style-type: none"> The ownership of the vessel will be transferred to us by the lessee on a “as is, where is and with all faults” basis. Simultaneously, the vessel will be delivered by us to the lessee on the same conditions.
Representations and warranties:	<ul style="list-style-type: none"> We make no representation or warranty as to the seaworthiness, merchantability, condition, design, performance, capacity or fitness for use of the vessel. 	
Insurance:	<ul style="list-style-type: none"> The lessee will bear all risks arising from the use, navigation, operation, possession and/or maintenance of the vessel during the charter period. The lessee shall, throughout the charter period, insure and keep the vessel insured against, among others, (i) fire and usual marine risks on hull and machinery; and (ii) war risks. 	
Lessee’s major obligations:	<ul style="list-style-type: none"> The lessee shall, during the charter period: ensure the vessel is in compliance with all applicable laws, regulations, international conventions, codes and regulations; permit us to inspect or survey the vessel or instruct a duly authorised surveyor to carry out such inspection or survey in order to ascertain the condition of the vessel; notify us of any accident, arrest or event resulting in a total loss of the vessel; and inform us of any event constituting a lessee’s default under the agreement. 	
Lessee’s purchase obligations:	<ul style="list-style-type: none"> Upon expiry of the charter period, the lessee will generally be obliged to unconditionally purchase the vessel at a fixed price. 	
Termination:	<ul style="list-style-type: none"> Upon the occurrence of a lessee’s fault which is continuing, we may terminate the agreement. A lessee’s default includes (i) the lessee’s failure to make payment on its due date; (ii) the lessee’s failure to observe or perform any of its obligations under the agreement, and such failure is not remedied within a specified time period; and (iii) the filing of a petition or the making of an order for the winding-up or dissolution of the lessee. 	

(ii) *Operating Lease*

Operating lease refers to a leasing model whereby the lessor grants the right to use an asset to the lessee for a specified period in return for periodic lease payments. A lease is classified as an operating lease if substantially all the risks and rewards incidental to the ownership of an asset (including its residual value) remain with the lessor.

In 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our operating lease income amounted to HK\$1,842.7 million, HK\$1,819.9 million, HK\$2,236.0 million (U.S.\$284.8 million), HK\$1,047.1 million and HK\$1,208.8 million (U.S.\$154.0 million), respectively, accounting for 57.4%, 50.2%, 55.4%, 53.3% and 59.9% of our total revenue, respectively. Such increase in operating lease income was due to the increase in the Group's total shipping capacity and well performance of the bulker carrier market as the Baltic Dry Index (BDI) generally increased. Our operating leases are further categorised into bareboat charter and time charter.

In a typical operating lease transaction, we enter into a shipbuilding agreement with a shipbuilder chosen by us for the construction of a vessel, after taking into account our customer's requirements on the type, specifications and capabilities of the vessel it intends to lease. With a view to optimising our operating lease business, we also enter into shipbuilding agreements at our own initiatives, after taking into account considerations such as market cycle, profitability and liquidity of particular types of vessels. We then lease the vessel to our customer for use in return for periodic lease payments. At the end of the charter period, our customer will return the leased vessel to us. The following diagram illustrates the relationship among the lessor, the lessee and the shipbuilder in a typical operating lease transaction:



In a bareboat charter, the lessee is responsible for the employment of the crew as well as the operation and management of the vessel. In a time charter, we are responsible for the payment of expenses in relation to crew employment and vessel management.

In respect of our operating lease transactions, our customers are generally required to inform us of any sub-chartering arrangements.

Major terms of operating lease agreements

The operating lease agreements we enter into with our customers for ship leasing are legally binding and generally include the following major terms:

	Bareboat charter	Time charter
Charter period: . . .	<ul style="list-style-type: none"> The agreement will specify the charter period, which generally ranges from three to 15 years for bareboat charter and approximately six months to one year for time charter. 	
Charter payment: .	<ul style="list-style-type: none"> The lessee will, on each payment date during the charter period, pay us for the lease and use of the vessel. The amount payable by the lessee on each payment date is generally (i) a pre-determined amount; or (ii) calculated by multiplying the daily charter rate by the number of days in the relevant calculation period. We generally require payment to be made on a semi-monthly or monthly basis. 	
Vessel delivery and acceptance:	<ul style="list-style-type: none"> Upon the shipbuilder's delivery of the vessel to us in accordance with the shipbuilding agreement and the satisfaction of certain conditions, the lessee will be deemed to have accepted and taken delivery of the vessel, whether or not it takes physical possession and/or use of the vessel. 	<ul style="list-style-type: none"> N/A
Representations and warranties:	<ul style="list-style-type: none"> We make no representation or warranty as to the seaworthiness, merchantability, condition, design, performance, capacity or fitness for use of the vessel. 	<ul style="list-style-type: none"> We will keep the vessel in an efficient state in hull, machinery and equipment during the charter period.
Insurance:	<ul style="list-style-type: none"> The lessee will bear all risks arising from the use, navigation, operation, possession and/or maintenance of the vessel during the charter period. The lessee shall, throughout the charter period, insure and keep the vessel insured free of cost and expense to us and in the joint names of our Group and the lessee against, among others, (i) fire and usual marine risk on hull and machinery; and (ii) war risk. 	<ul style="list-style-type: none"> We will provide and pay for the insurance of the vessel.

	Bareboat charter	Time charter
Lessee's major obligations:	<ul style="list-style-type: none"> • The lessee shall, during the charter period: • ensure the vessel is in compliance with all applicable laws, regulations, international convention, codes and regulations; • permit us to inspect or survey the vessel or instruct a duly authorised surveyor to carry out such inspection or survey in order to ascertain the condition of the vessel; • notify us of any accident, arrest, detention or event resulting in a total loss of the vessel; and • inform us of any event constituting a termination event under the lease. 	<ul style="list-style-type: none"> • The lessee shall comply with all requirements and supply the vessel with sufficient fuel.
Termination:	<ul style="list-style-type: none"> • Upon the occurrence of a termination event, we may terminate the agreement and retake possession of the vessel. • A termination event includes (i) the lessee's failure to make payment on its due date; (ii) the lessee's failure to observe or perform any of its material obligations under the agreement, and such failure is not remedied within a specified time period; and (iii) the lessee becoming bankrupt, insolvent or unable to repay its debts. • Under our leasing services, we have established a monthly communication mechanism with shipbuilder, construction supervision team and charterers to closely monitor ship construction status. Through timely communication, we aim to ensure construction quality and timely delivery of vessels. We also plan to build a platform, under which cargo owners and ship owners are able to share information of shipping, cargo source and market condition. 	<ul style="list-style-type: none"> • N/A

Shipbroking Services

Leveraging our extensive network and substantial experience in the marine industry, we provide shipbroking services to shipbuilders incidental to the conduct of our leasing business. Acting as an intermediary between shipbuilders and prospective purchasers, we provide a wide range of services, including identifying market opportunities for shipbuilders, recommending shipbuilders to interested purchasers, advising interested purchasers on vessel types, specifications and capabilities, providing market information to shipbuilders and interested purchasers, liaising with and serving as the channel of communication between shipbuilders and interested purchasers, negotiating the terms of shipbuilding agreements, as well as resolving issues that arise during the execution of shipbuilding agreements. If we facilitate the successful conclusion of a shipbuilding transaction, we will receive a commission from the shipbuilder. The amount of shipbroking commission generally represents 0.5% to 2.0% of the contract price of the vessel, and is normally paid to us within a specified time period (generally 30 days) after the shipbuilder's receipt of the instalment payment from the purchaser. It is an industry norm for shipbuilders to pay shipbroking commission to shipbrokers who facilitate the successful conclusion of shipbuilding transactions, and it is rare for purchasers to pay such commission.

For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our commission income was HK\$57.0 million, HK\$28.4 million, HK\$33.5 million (U.S.\$4.3 million), HK\$22.3 million and HK\$22.5 million (U.S.\$2.9 million), respectively, accounting for 1.8%, 0.8%, 0.8%, 1.1% and 1.1% of our total revenue, respectively. During the same period, CSSC Group and its associates were the only customers in respect of our shipbroking business.

Loan Services

We provide loan services in the ordinary and usual course of our business that mainly include pre-delivery loan, secured loan and factoring services. We believe that our customers procure loan services from us instead of obtaining borrowings directly from commercial banks and financial institutions mainly because of the flexibility of our financing options, although we are not aware of any of these customers encountering any major difficulties in obtaining borrowings directly from commercial banks and financial institutions. It is not uncommon for leasing companies to provide loan services. In order to reduce the risk exposure of our loan services, we carefully select our customers based on their creditworthiness, repayment capabilities and financing needs. In 2022, 2023 and 2024 and the six months ended 30 June 2025, none of our loan receivables was written off.

In 2022, 2023 and 2024, our interest income from loan borrowings was HK\$524.0 million, HK\$606.1 million and HK\$545.2 million (U.S.\$69.4 million), respectively, accounting for 16.3%, 16.7% and 13.5% of our total revenue, respectively. The increase between 2022 and 2023 was due to the increase of U.S. SOFR as our loan borrowings are based on floating rates with reference to U.S. SOFR. The decrease between 2023 and 2024 was primarily due to the completion of several loan projects in the year of 2023. For the six months ended 30 June 2024 and 2025, our interest income from loan borrowings was HK\$276.4 million and HK\$236.6 million (U.S.\$30.1 million), respectively, accounting for 14.1% and 11.7% of our total revenue, respectively. The decrease was due to completion of loan projects in the second half of 2024 and the first half of 2025.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the amount of receivables in respect of our loan services was HK\$8,319.3 million, HK\$7,207.8 million, HK\$6,383.2 million (U.S.\$813.2 million) and HK\$6,198.9 million (U.S.\$789.7 million) respectively. In 2022, 2023 and 2024 and the six months ended 30 June 2025, the interest rate we charged for our loan services generally ranged from 3.6% per annum to 9.3% per annum, which is in line with the industry norm.

Pre-delivery Loan Services

In general, as part of our ship leasing services, we provide pre-delivery loan services to customers who require funding to satisfy their pre-delivery payment obligations under their shipbuilding agreements. The pre-delivery loans we extend are solely to finance the purchase of vessels under our finance lease transactions, and are generally secured by corporate guarantees, the assignment of shipbuilding agreements and refund guarantees rendered by our customers. A corporate guarantee is an agreement whereby a corporate entity (i.e. the guarantor) undertakes to assume responsibilities for the repayment of a loan if the borrower defaults on its repayment or upon maturity of the loan. A refund guarantee is commonly provided in new shipbuilding transactions, whereby a bank in favour of the seller undertakes that, in the event the seller fails to perform its obligations under the shipbuilding agreement, it will refund the advance instalments paid (together with interest accrued) under the relevant shipbuilding agreement to the buyer.

The pre-delivery loan agreements we enter into with our customers are legally binding and generally include the following major terms:

- Loan facility:**
 - We will make a loan facility available to our customer, and the agreement will specify, among others, the loan amount, interest rate, drawdown period and repayment schedule.
 - We generally charge our customer a fixed interest rate.
- Purpose of loan facility:**
 - The loan facility will solely be for the purpose of financing our customer’s instalment payments towards the contract price of a shipbuilding transaction.
- Security documents:**
 - We require our customer to execute certain security documents (e.g. corporate guarantee, assignment of shipbuilding agreement and refund guarantee) to secure the performance of its obligations under the agreement.
- Cancellation of loan facility:**
 - The agreement will specify the events of default, which generally include (i) our customer failing to make payment on the due date; (ii) our customer failing to comply with the financial covenants; (iii) our customer suspending or ceasing to carry on all or a substantial part of its business; and (iv) any representation made in the agreement or other transaction documents being incorrect or misleading in any material respect.
 - Upon the occurrence of an event of default which is continuing, we may cancel the loan facility and declare that all or part of the loan, together with accrued interest, be immediately due and payable.

Secured Loan Services

In addition, we provide secured loan services to customers to satisfy their working capital needs and/or finance their purchase of assets (such as vessels). We determine the loan amount, interest rate, maturity period and use of funds primarily based on our customers’ creditworthiness, repayment capabilities as well as financing needs. Our loans are generally secured by our customers’ vessels or assets. As part of our secured loan services, we provide entrusted loan services to customers to finance their purchase of vessels or other assets. Under the entrusted loan arrangements, we (as trustor) provide funds to qualified financial institutions (as trustee), which then lend the funds to our customers under the terms and conditions specified by us.

The secured loan agreements we enter into with our customers are legally binding and generally include the following major terms:

- Loan facility:** • We will make a loan facility available to our customer, and the agreement will specify, among others, the loan amount, interest rate and repayment schedule.
- We generally charge our customer a fixed interest rate or an interest rate that equals to SOFR or LIBOR plus a margin.
- Purpose of loan facility:** . • The agreement will set out the specific purpose(s) of the loan facility (e.g. financing the purchase of an asset and for general capital purpose).
- Security documents:** • We require our customer to execute certain security documents (e.g. mortgage and assignment agreement) to secure the performance of its obligations under the agreement.
- Cancellation of loan facility:** • The agreement will specify the events of default, which generally include (i) our customer failing to make payment on the due date; (ii) our customer suspending or ceasing to carry on all or a material part of its business; (iii) any representation made in the agreement or other transaction documents being incorrect or misleading in any material respect; and (iv) a change of control of our customer.
- Upon the occurrence of an event of default which is continuing, we may cancel the loan facility and declare that all or part of the loan, together with accrued interest, be immediately due and payable.

In 2019, we conducted our entrusted loan business in the PRC through CSSC Shanghai, CSSC Tianjin and certain SPVs in the PRC. According to the Measures on Supervision of Financial Leasing Enterprises (融資租賃企業監督管理辦法)(the “**Measures for Financial Leasing Enterprises**”) and the Administrative Measures for Entrusted Loans Undertaken by Commercial Banks (商業銀行委託貸款管理辦法)(the “**Measures for Entrusted Loans**”), no particular licence or approval, other than business licence, is required for engaging in the provision of entrusted loan services in the PRC. As at the date of this Offering Circular, each of CSSC Shanghai, CSSC Tianjin and the SPVs engaging in entrusted loan business possessed the requisite business licence to engage in the provision of entrusted loan services as trustor in the PRC. According to the Measures for Financial Leasing Enterprises, a financial leasing company is prohibited from providing entrusted loans to third parties as trustee. However, it does not prohibit a financial leasing company from providing entrusted loans to third parties as trustor. In 2019, our PRC subsidiaries acted as trustor when providing entrusted loans to third parties, and such arrangements did not violate the Measures for Financial Leasing Enterprises. During the same period, certain of our PRC subsidiaries did not carry on leasing business as their principal business as required by the PRC laws and regulations in relation to financial leasing. Instead, they principally engaged in the provision of loan services through entrusted banks. Save as disclosed aforementioned, our entrusted loan business in the PRC is in compliance with the Measures for Financial Leasing Enterprises.

The Measures for Entrusted Loans, which was promulgated by the CBIRC (which has since been abolished, with its relevant regulatory functions assumed by the National Financial Regulatory Administration)) and became effective on 5 January 2018, have set out certain restrictions on the usage of entrusted loans, and require that the loans shall not be used (i) for production, operation, or investment fields and purposes prohibited by the State; (ii) for investment in, among others, bonds, futures, financial derivatives or asset management products; (iii) as registered capital or for registered capital verification; (iv) for equity capital investment or for increase in registered capital or shares (except as otherwise specified by the regulatory authorities); or (v) other purposes in violation of the

regulatory provisions. After the Measures for Entrusted Loans became effective, our PRC subsidiaries have not entered into any new entrusted loan agreements. Our existing entrusted loan agreements were entered into by our PRC subsidiaries in 2015 and 2016 (i.e. prior to the effective date of the Measures for Entrusted Loans), and the usage of the funds provided for therein was for payment of shipbuilding fees and fees relating to vessel operation, or purchase of textile equipment and related equipment, which do not fall within the usage restrictions set out in the Measures for Entrusted Loans. According to the Legislation Law of the PRC (中華人民共和國立法法), laws, administrative regulations, local regulations, autonomous regulations, separate regulations and rules shall not apply retroactively, except where the regulations are specifically formulated for the purpose of better protecting the rights and interests of citizens, legal persons and other organisations. As the Measures for Entrusted Loans is silent on whether the provisions therein will apply retrospectively, we made an inquiry with the CBIRC, and the CBIRC confirmed on 31 October 2018 that the Measures for Entrusted Loans will not apply retrospectively. Therefore, any inconsistency in the entrusted loan agreements effective prior to the effective date of the Measures for Entrusted Loans requires no rectification. Regardless of whether the Measures for Entrusted Loans will take effect retrospectively, the usage of funds in our existing entrusted loan agreements is in compliance with the Measures for Entrusted Loans. Based on the above mentioned, we believe that the existing entrusted loan business of our PRC subsidiaries will not be adversely affected by the Measures for Entrusted Loans.

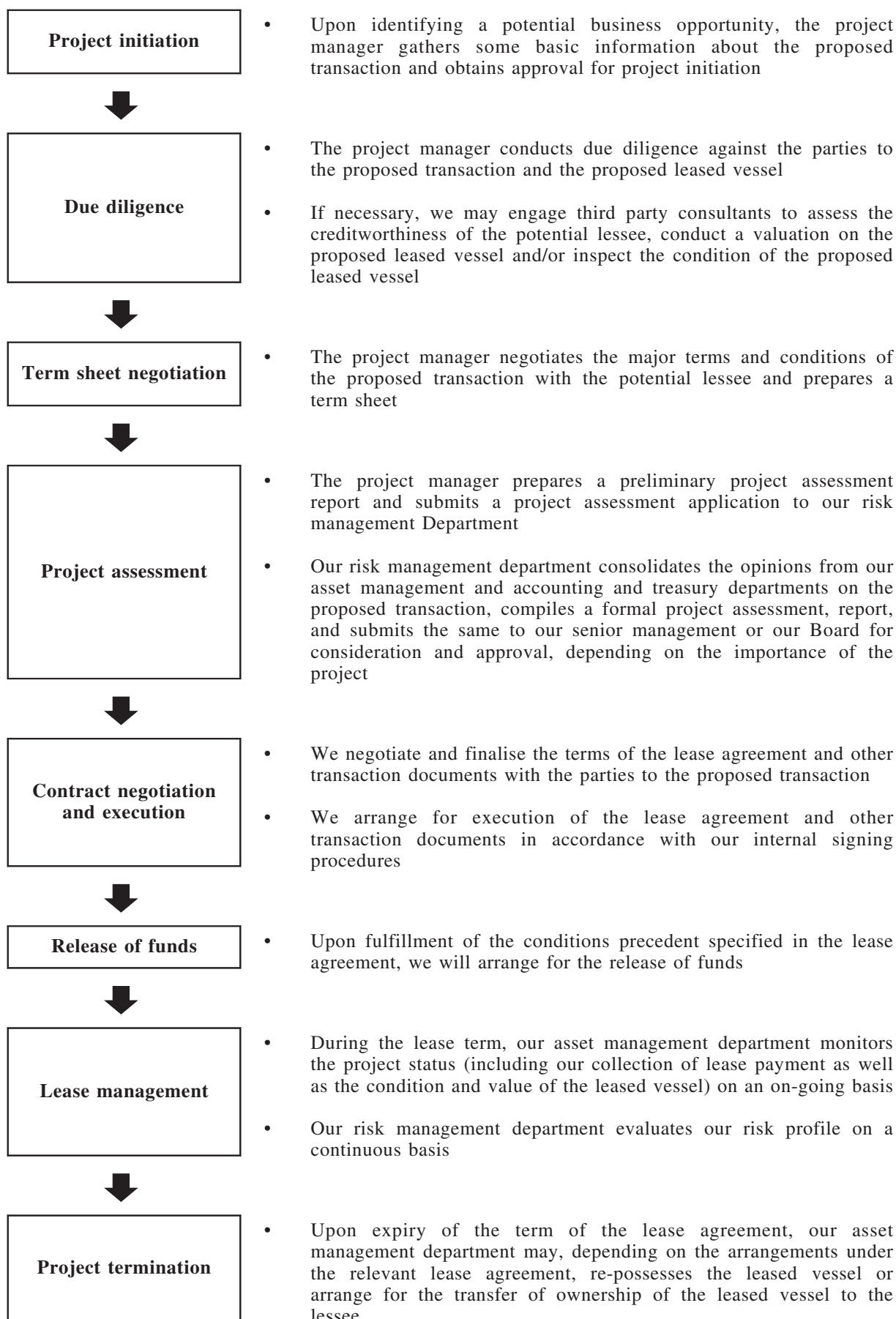
Our Vessel Portfolio

As at 30 June 2025, we (including joint ventures and associates) owned a total of 143 vessels, including 121 vessels in operation and 22 vessels under construction. The following table sets out the number of vessels in operation and under construction as at 31 December 2022, 2023 and 2024:

	As at 31 December		
	2022	2023	2024
In operation	129	128	122
Under construction	29	23	16
Total	158	151	138

We consider a variety of factors during our selection of vessels. These factors generally include (i) price, quality and capabilities of vessels; (ii) market liquidity of vessels; (iii) income stability and return of vessels; (iv) market conditions and trends; (v) financial condition, creditworthiness and performance capabilities of our customers; and (vi) whether the purchase of vessels is in line with our business strategies.

Our Business Process



Sales And Marketing

We generally acquire new customers and originate new businesses through our own sales and marketing initiatives as well as referrals by shipbrokers and shipbuilders. Our business department is responsible for exploring new business opportunities and developing new projects in accordance with our business development strategies, maintaining customer relationship as well as collecting market information.

As part of our sales and marketing initiatives, we attend maritime exhibitions and ship finance forums from time to time. These exhibitions and forums not only provide us with an opportunity to enhance our industry reputation and network with ship operators and shipbuilders across the globe, but also keep us abreast of new industry developments and trends. In 2022, 2023 and 2024 and the six months ended 30 June 2025, we participated in a number of maritime exhibitions and ship finance forums, including Marintec China in Shanghai, Posidonia in Greece, SMM in Hamburg as well as various forums organised by Capital Link and Marine Money.

Pricing

We determine the price of our services on a case-by-case basis, and generally take into account the following considerations in our decision-making process: (i) the size and complexity of the transaction; (ii) the value, type and/or condition of the leased asset; (iii) general market and industry conditions; (iv) the business, financial performance, scale of operations, industry reputation, credit history as well as creditworthiness of our customer; (v) the level of our risk exposure; (vi) the security provided by our customer and whether it is sufficient to cover our risk exposure; and (vii) whether the transaction is in line with our business strategies.

Seasonality

As a leasing service provider primarily focusing on ship leasing, our business performance is largely dependent on the demand for leasing and loan services in relation to vessel procurement, which is not subject to seasonal fluctuations. In addition, our finance lease income is subject to the repayment schedules set out in the lease agreements and is not affected by seasonal factors. While some of our operating leases are of a term of less than a year, they do not contribute significantly to our revenue and are unlikely to cause our revenue to be materially affected by seasonal factors. Our business performance is therefore generally not subject to seasonal fluctuations.

Our Customers

Our customers generally include ship operators, shipbuilders and trading companies.

Our Major Customers

In 2022, 2023 and 2024 and the six months ended 30 June 2025, our five largest customers accounted for 49.7%, 51.8%, 48.9% and 54.6% of our total revenue, respectively. Our major customers are located in the PRC, Asia, United States and Europe, with whom we have maintained business relationships for three to six years. The payments made to us by our five largest customers are primarily in U.S. dollars, and by way of telegraphic transfer.

We confirm that, (i) our five largest customers in 2022, 2023 and 2024 and the six months ended 30 June 2025 were independent third parties; and (ii) none of our Directors, their respective close associates or shareholders who own more than 5% of the share capital of our Company had any interest in our five largest customers. Our Directors further confirm that none of our five largest customers in 2022, 2023 and 2024 and the six months ended 30 June 2025 were our major suppliers.

Our Suppliers

Because of the nature of our business, we have no major suppliers. In 2022, 2023 and 2024 and the six months ended 30 June 2025, we purchased vessels mainly from CSSC Group and/or its associates as well as other independent shipbuilders.

Competition

The global ship leasing industry is relatively fragmented, with approximately 400 ship leasing companies across the globe in 2018. The global ship leasing industry may be further segmented into the non-bank ship leasing industry, with approximately 150 non-bank ship leasing companies across the globe in 2018. The global top five ship leasing service providers accounted for a total market share of 24.5% in terms of revenue in 2020, whereas the global top three non-bank ship leasing service providers accounted for a total market share of 29.2% in terms of revenue in 2018. In terms of the amount of leased vessels and lease contracts in 2024, we were ranked seventh in China's ship leasing industry. Ship leasing companies generally compete in terms of professionalism, customer network coverage, risk assessment and management capabilities as well as asset operation.

Employees

As at 30 June 2025, we had 79 employees performing management, asset management, risk management, credit and structured finance, accounting and treasury, human resources and administration and strategy and digitization functions.

For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, our staff cost amounted to HK\$124.7 million, HK\$106.3 million, HK\$105.3 million (U.S.\$13.4 million), HK\$31.0 million and HK\$28.7 million (U.S.\$3.7 million), respectively.

We generally recruit our employees through recruitment agencies as well as the posting of job advertisements on public recruitment platforms. We seek to remunerate our employees on a market-competitive basis. The remuneration package of our employees includes basic salary and performance-related bonus. We review the remuneration package and performance of our employees annually. In accordance with applicable Hong Kong laws and regulations, we have made mandatory provident fund contributions for our Hong Kong employees. In accordance with applicable PRC laws and regulations, we have made social insurance and housing provident fund contributions for our PRC employees. In accordance with applicable Singapore laws and regulations, we have made central provident fund contributions for our Singapore employees.

In order to improve the professional skills of our employees, we provide them with training that is specific to their job duties. Our training programmes generally cover industry updates, legal and financial knowledge as well as management and leadership skills.

We have not established any labour union. In 2022, 2023 and 2024 and the six months ended 30 June 2025, we had not experienced any material dispute with our employees or disruption to our operations as a result of labour dispute nor any difficulty in the recruitment and retention of employees.

Intellectual Property

Our intellectual property rights comprise our domain name. In 2022, 2023 and 2024 and the six months ended 30 June 2025 and up to the date of this Offering Circular, no material claim or dispute was brought against us in relation to any infringement of intellectual property rights. Our Directors are not aware of any use by any third-party of our brand and believe that there had been no infringement of our intellectual property rights that would result in a significant potential impact on our business during the same period.

Insurance

In respect of the assets underlying the leases, we normally require the lessees to maintain insurance coverage customary in the marine industry throughout the lease term, and such insurance generally includes hull and machinery insurance, war risk insurance, protection and indemnity insurance as well as kidnap and ransom insurance. See “– Our Business – Leasing Services – (i) Finance Lease – Major terms of direct finance lease and sale-and-leaseback agreements” and “Our Business Leasing Services – (ii) Operating Lease – Major terms of operating lease agreement” in this section for further details. The

scope and amount of insurance are set out in the relevant lease agreements, and we have a list of approved insurance companies with which the lessees shall maintain insurance. In line with industry practice, while the insurance premium is normally borne by the lessees, we are generally named as the beneficiary of the insurance policies.

In addition, we maintain medical insurance and employees' compensation insurance for our employees in Hong Kong. In relation to our PRC employees, we make contributions towards five categories of insurance, including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance. We also maintain medical insurance for our employees in Singapore.

Our Directors believe that our current insurance coverage is sufficient and adequate and in line with the industry norm. We will continue to review and assess our risk portfolio and make necessary and appropriate adjustments to our insurance coverage.

Properties

As at the date of this Offering Circular, we leased a total of three properties for office premises use in the PRC.

As at the date of this Offering Circular, we had not been provided with valid title certificates in respect of our leased properties in the PRC. We believe the likelihood of our business being materially affected by such title defects is remote. As at the date of this Offering Circular, none of our lease agreements had been registered with the relevant PRC government authorities. According to the Administrative Measures on Lease of Commodity Properties (商品房屋租賃管理辦法), lease agreements shall be registered with the relevant PRC government authorities, and any non-registration of lease agreements may result in the relevant PRC government authorities ordering for rectification within a prescribed time limit and, if the relevant entity still fails to register the relevant lease agreements, imposing a fine ranging from RMB1,000 to RMB10,000 per lease agreement. The maximum fine in relation to the non-registration of our three lease agreements shall be RMB30,000, and the lessors' failure to register the relevant lease agreements will not affect their validity or enforceability. As at the date of this Offering Circular, we had not received any notice or demand from the PRC government authorities requesting us to take rectification actions or imposing a fine on us. We believe the likelihood of our business being materially affected by such title defects is remote.

We believe that there would be no material difference in the rental that we would have to pay for our leased properties in the PRC if they were not subject to title defects.

Licences, Permits and Approvals

For the material licences, permits and approvals we hold for carrying on our business operations, see "*PRC Regulations*" in this Offering Circular. In 2022, 2023 and 2024 and the six months ended 30 June 2025 and up to the date of this Offering Circular, we had obtained all requisite licences, permits and approvals that are material to our business operations from the relevant government authorities.

Our management reviews our business practises regularly to ensure compliance with all licencing requirements and conditions as well as the successful renewal of our licences, permits and approvals. We believe there is no major legal impediment for the renewal of our licences, permits and approvals, and no circumstances existed that would render their revocation or cancellation as at the date of this Offering Circular.

Occupational Health, Work Safety and Environmental Protection

We are committed to providing a safe and healthy working environment for our employees. We have policies and guidelines to ensure and promote workplace safety. In 2022, 2023 and 2024 and the six months ended 30 June 2025, we had not been involved in any major accident or fatality in the course of

our business operations. We believe that the annual cost of compliance with the applicable laws and regulations relating to occupational health and work safety was not material during the same period, and that the cost of such compliance is not expected to be material going forward.

Because of the nature of our business, we do not generate any hazards or industrial pollutants during the course of our operations. We did not incur any expenses in relation to compliance with environmental protection laws, rules and regulations in 2022, 2023 and 2024 and the six months ended 30 June 2025, and do not expect to incur any such expenses going forward.

Legal Proceedings

We may be from time to time involved in legal proceedings on disputes arising in the ordinary course of business. As at the date of this Offering Circular, to the best knowledge and belief of our Directors, there was no pending or threatened litigation, arbitration or claim against any member of our Group or any of them which, in the opinion of our Directors, would have a material adverse effect on our financial condition or results of operations as a whole.

DIRECTORS AND SENIOR MANAGEMENT

OVERVIEW

Directors

Our Board consists of seven Directors, comprising two Executive Directors, two Non-executive Directors and three Independent Non-executive Directors as at the date of this Offering Circular. Our Board is responsible and has general powers for the management and conduct of our business. The following table sets out certain information of our Directors:

Name	Age	Position
Mr. Li Hongtao (李洪濤)	59	Executive Director, chairman of our Board and chief executive officer of the Company
Mr. Liu Hui (劉輝)	44	Executive Director and general manager of the Company
Mr. Xie Weizhong (謝衛忠) . . .	57	Non-executive Director
Mr. Chi Benbin (遲本斌)	52	Non-executive Director
Mr. Wang Dennis (王德銀) . . .	62	Independent Non-executive Director
Mdm. Shing Mo Han Yvonne (盛慕嫻)	70	Independent Non-executive Director
Mr. Li Hongji (李洪積)	68	Independent Non-executive Director

Senior Management

Our senior management is responsible for the day-to-day management of our business. The following table sets out certain information of the member of our senior management as at the date of this Offering Circular:

Name	Age	Position
Mr. Li Hongtao (李洪濤)	59	Executive Director, chairman of our Board and chief executive officer of the Company
Mr. Liu Hui (劉輝)	44	Executive Director and general manager of the Company
Mr. Wang Shanjun (王善君) . . .	50	Chief accountant of the Company
Mr. Wu Aijun (吳愛軍)	53	Deputy general manager of the Company
Mr. Ng Kwun Wa (吳冠華) . . .	48	Company secretary

DIRECTORS

Executive Directors

Mr. Li Hongtao (李洪濤), aged 59, was appointed as Chairman of the Board and an Executive Director on 23 May 2024 and the chief executive officer of the Company on 31 December 2024. Mr. Li has extensive experience in the management in the shipping industry. Before the appointment as the Executive Director, Mr. Li successively served as deputy general manager and general manager of China Shipbuilding Industry Trading Co., Limited (中國船舶工業貿易公司), chairman of China United Shipbuilding Company Limited (華聯船舶有限公司), general manager and chairman of China Shipbuilding International Marine Technology Co., Limited (中船國際海洋技術有限公司), general manager and chairman of China Shipping International Trading Company Limited (中船國際貿易有限公司) and chairman of China Shipbuilding Industry Trading Co., Limited (中國船舶工業貿易有限公司). Mr. Li obtained his bachelor's degree and master's degree in geodesy from Wuhan Technical University of Surveying and Mapping (武漢測繪科技大學) in September 1987 and May 1990, respectively.

Mr. Liu Hui (劉輝), aged 44, has extensive experience in the shipping industry management. Prior to the appointment as the Executive Director and the general manager of the company, Mr. Liu successively served as an assistant to the officer manager, assistant to manager of the finance department and deputy manager of Guangzhou Wenchong Shipyard Co., Ltd. (廣州文沖船廠有限責任公司), the

manager of the finance department and deputy chief accountant of CSSC Huangpu Wenchong Shipbuilding Company Limited (中船黃埔文冲船舶有限公司), the chief accountant, general legal counsel and chief compliance officer of Guangzhou Shipyard International Company Limited (廣船國際有限公司), and a director and the general manager of CSSC Cruise Technology Development Co., Ltd. (中船郵輪科技發展有限公司).

Non-Executive Directors

Mr. Xie Weizhong (謝衛忠), aged 57, was appointed as a Non-executive Director on 6 January 2026. He has extensive senior management experience in the shipbuilding industry. Prior to the appointment as a non-executive Director, he served as deputy director of the office of the shipbuilding branch of Huangpu Shipyard, director of the factory office of Huangpu Shipyard, assistant to the general manager of Huangpu Shipyard, chairman of the trade union of Guangzhou Huangpu Shipyard Co., Ltd., and vice president of Guangzhou Naval Architecture and Ocean Engineering College. Currently, he is a director of China Shipbuilding Group Guangzhou Ship Industrial Co., Ltd. Mr. Xie obtained a bachelor's degree in ideological and political education from Harbin Institute of Shipbuilding Engineering (哈爾濱船舶工程學院)(now known as Harbin Engineering University (哈爾濱工程大學)) in August 1991, and a master's degree in international finance and trade from the School of Economics at South Central University for Nationalities (中南民族學院經濟學院)(now known as School of Economics at South Central Minzu University (中南民族大學經濟學院)) in July 2003.

Mr. Chi Benbin (遲本斌), aged 52, was appointed as a Non-executive Director on 24 February 2023. He is currently the general manager of Wuchang Shipbuilding Industry Group Co., Ltd. (武昌船舶重工集團有限公司), which is a subsidiary of China State Shipbuilding Corporation Limited (中國船舶集團有限公司). Mr. Chi obtained a bachelor's degree in Marine and Offshore Engineering from Huazhong University of Science and Technology (華中理工大學) in 1994. Mr. Chi holds the senior engineer professional and technical qualification. From August 1994 to May 2002, Mr. Chi successively served as a trainee of the marketing department of Hudong Shipyard (滬東造船廠), a salesman, a project manager, a deputy section chief and an assistant to the director of the civil products section of the marketing department of Hudong Zhonghua Shipyard (滬東中華造船廠). From May 2002 to July 2014, he successively served as assistant director of the marketing department and head of the general management section, deputy director of the marketing department, director of the marketing department and assistant to the general manager and director of the marketing department of Hudong Zhonghua Shipbuilding (Group) Co., Ltd. (滬東中華造船(集團)有限公司). From July 2014 to June 2025 he served as the deputy general manager of Hudong Zhonghua Shipbuilding (Group) Co., Ltd. (滬東中華造船(集團)有限公司). From July 2014 to August 2021, he also successively served as the deputy general manager of Shanghai Jiangnan Changxing Shipbuilding Co., Ltd. (上海江南長興造船有限責任公司) and the deputy general manager of Shanghai Shipyard Company Limited (上海船廠船舶有限公司).

Independent Non-Executive Directors

Mr. Wang Dennis (王德銀), aged 62, was appointed as an Independent Non-executive Director on 10 November 2020. Mr. Wang is primarily responsible for the independent supervision of the management of the Group. Mr. Wang is an entrepreneur. Mr. Wang was previously the chairman, an executive director and the chief consultant of China Water Industry Group Limited (中國水業集團有限公司), the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1129), the chairman and the general manager of Tibet Jinzhu Co., Ltd. (西藏金珠股份有限公司), the shares of which are listed on the Shanghai Stock Exchange (stock code: 600773), the founder and the chairman of Shenzhen Hornson Science and Tech. Co., Ltd. (深圳豪信科技有限公司), and the chairman and the president of Shenzhen Modern Computer Co., Ltd. (深圳現代計算機有限公司). Mr. Wang obtained a bachelor's degree in computer engineering from Xidian University (西安電子科技大學) in the People's Republic of China in 1986.

Mdm. Shing Mo Han Yvonne (盛慕嫻), *BBS, JP*, aged 70, is an Independent Non-executive Director appointed in May 2019. Mdm. Shing is primarily responsible for overseeing the management of our Group independently. Mdm. Shing is currently serving as an independent non-executive director of Aeon Credit Service (Asia) Company Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 900); China Merchants Energy Shipping Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 601872); and Analogue Holdings Ltd, a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1977). She was a senior adviser of Deloitte Touche Tohmatsu in Hong Kong until March 2019. Mdm. Shing is a member of the 10th, 11th and 12th Jiangsu Provincial Committee of the Chinese People's Political Consultative Conference. She is a founding member and former president of the Association of Women Accountants (Hong Kong) Limited, and is the former chairman of Hong Kong Institute of Certified Public Accountants' Taxation Committee. Mdm. Shing's current public appointments include member of the Deposit Protection Board, director of HK International Theme Parks Limited, and her past public appointments include treasurer of the Council of the Hong Kong Academy for Performing Arts, council member of the Hong Kong Polytechnic, member of the Telecommunications Affairs Committee of the Communications Authority, member of the Citizens Advisory Committee on Community Relations and the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption, and board member of the Hospital Authority. Mdm. Shing was appointed as a Justice of the Peace in 2013 and was awarded the Bronze Bauhinia Star in 2017. She was named as one of the China's National Hundred Outstanding Women Entrepreneurs by China Association of Women Entrepreneurs (中國女企業家協會) in October 2006. Mdm. Shing graduated from the Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University) and obtained a higher diploma in accountancy. She is a 2016/2017 university fellow of the Hong Kong Polytechnic University. She is also a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Hong Kong Chartered Governance Institute.

Mr. Li Hongji (李洪積), aged 68, is an Independent Non-executive Director appointed in May 2019. Mr. Li is primarily responsible for overseeing the management of our Group independently. Mr. Li has been serving as a partner and practicing lawyer in Commerce & Finance Law Offices (通商律師事務所) since 2006. Mr. Li is a registered arbitrator in a number of arbitration centres, including China International Economic and Trade Arbitration Commission (中國國際經濟貿易仲裁委員會), Arbitration Center Across The Straits (海峽兩岸仲裁中心), China Maritime Arbitration Commission (中國海事仲裁委員會), Beijing Arbitration Commission (北京仲裁委員會), Shanghai International Arbitration Center (上海國際仲裁中心) and Qingdao Arbitration Commission (青島仲裁委員會). He is currently serving as a part-time lecturer of the master's degree programme in Peking University Law School (北京大學法學院). Mr. Li obtained a bachelor's degree in law from Peking University (北京大學) in the PRC in July 1982 and a master's degree in law from China University of Political Science and Law (中國政法大學) in the PRC in July 1987. He became a qualified lawyer of the PRC in 1997 and was admitted to practice as an attorney and counsellor at law in the courts of record of New York in the United States in 1994.

SENIOR MANAGEMENT

Please refer to the section “*Directors*” in this Offering Circular for the biography of Mr. Li Hongtao and Mr. Liu Hui.

Mr. Wang Shanjun (王善君), aged 50, was appointed as the chief accountant of the Company on 1 January 2025, and the chief compliance officer of the company on 26 March 2025, primarily responsible for financial and legal affairs (compliance), risk management, issues pertaining to, among others, the Board of Directors meetings and shareholders meetings, securities affairs, investor relations management and ESG. Mr. Wang served at Jindong Paper Co., Ltd. (金東紙業有限公司) from August 1998 to September 1999. From November 2006 to May 2010, he served as a business manager at the Third Asset Division of the Asset Division of China Shipbuilding Industry Corporation. From May 2010 to April 2017, he served as a business manager of the Capital Operations Department, deputy director of

Investor Relations, deputy director of Investor Relations (presiding) and director of Investor Relations of China Shipbuilding Industry Company Limited. From April 2017 to November 2024 he served as a vice general manager and secretary to the board of directors at China Shipbuilding Industry Group Power Co., Ltd. Mr. Wang obtained a bachelor's degree in July 1998 and a master's degree in Finance in February 2005 from Dalian University of Technology. In June 2017, he obtained a PhD degree from the Graduate School of the People's Bank of China.

Mr. Wu Aijun (吳愛軍), aged 53, was appointed as the deputy general manager of the Company on 1 January 2025. He is mainly responsible for business development, external investment, ship operation, ship management, etc. Mr. Wu interned at the ship repairing branch of Jiangnan Shipbuilding (Group) Co., Ltd. (江南造船(集團)有限責任公司) from August 1994 to August 1995. From August 1995 to February 2001, he worked at the Foreign Affairs Office of Jiangnan Shipbuilding (Group) Co., Ltd. (江南造船(集團)有限責任公司), responsible for translation works. From February 2001 to January 2003, he served as the project manager of the business department of Jiangnan Shipbuilding (Group) Co., Ltd. (江南造船(集團)有限責任公司). From January 2003 to May 2017, he served as the project manager of First Shipping Department, senior manager, deputy general manager of the Third Shipping Department, deputy general manager of the First Shipping Department, general manager of the Third Shipping Department and general manager of the Fourth Business Department of China Shipbuilding Trading Company (中國船舶工業貿易公司). From May 2017 to November 2018, he served as assistant to the general manager and general manager of the Fourth Business Department of China Shipbuilding Trading Company (中國船舶工業貿易公司). From November 2018 to May 2019, he served as deputy general manager of China Shipbuilding Trading Company (中國船舶工業貿易公司) and deputy general manager of China Shipping International Trading Company Limited (中船國際貿易有限公司). From May 2019 to February 2020, he served as deputy general manager of China Shipbuilding Trading Company Limited (中國船舶工業貿易有限公司) and deputy general manager of China Shipping International Trading Company Limited (中船國際貿易有限公司) (China Shipbuilding Trading Company (中國船舶工業貿易公司) was approved to change its name to "China Shipbuilding Trading Company Limited (中國船舶工業貿易有限公司)" in May 2019). From February 2020 to June 2020, he served as deputy general manager of China Shipbuilding Trading Company Limited (中國船舶工業貿易有限公司), deputy general manager of China Shipping International Trading Company Limited (中船國際貿易有限公司), and deputy general manager of China Shipbuilding Heavy Industry International Trading Company Limited (中國船舶重工國際貿易有限公司副總經理). From June 2020 to November 2024, he served as deputy general manager of China Shipbuilding Trading Company Limited (中國船舶工業貿易有限公司). He serves as deputy general manager of the Company from December 2024. Mr. Wu obtained a bachelor's degree from Harbin Engineering University in July 1994.

Mr. Ng Kwun Wa (吳冠華), aged 48, was appointed as the company secretary of the Company on 31 December 2024. Mr. Ng is a member of the Hong Kong Chartered Governance Institute and a member of the Hong Kong Institute of Certified Public Accountants. He has over 20 years of experience in financial management and reporting, accounting and auditing. Mr. Ng joined the Group in 2020 initially as the director of finance department. Prior to joining the Company, Mr. Ng worked in a company listed on the Hong Kong Stock Exchange and several accounting firms with extensive experience in finance, audit and corporate finance matters. Mr. Ng obtained a bachelor's degree in accounting from Hong Kong Baptist University in 2001 and a master's degree in corporate governance from The Hong Kong Polytechnic University in 2011.

Board Committees

Our Board of Directors delegates certain responsibilities to various committees. Our Board of Directors has set up the Audit Committee, Remuneration Committee, Nomination Committee, Strategic and Investment Committee and ESG and Sustainable Development Committee. These committees are constituted by certain Directors and report to the Board of Directors.

PRC LAWS AND REGULATION

This section summarises the principal PRC laws and regulations which are relevant to the Group's business and operations and the overseas financing. As this is a summary, it does not contain a detailed analysis of the PRC laws and regulations which are relevant to the Group's business and operations or the overseas financing.

FOREIGN EXCHANGE ADMINISTRATION

The lawful currency of the PRC is the Renminbi, which is subject to foreign exchange controls and is not freely convertible into foreign exchange at this time. The State Administration of Foreign Exchange (國家外匯管理局, the “SAFE”), under the authority of the People's Bank of China (中國人民銀行, the “PBOC”), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

The principal law governing foreign exchange in the PRC is the PRC Administrative Regulations on Foreign Exchange (《中華人民共和國外匯管理條例》), the “**Foreign Exchange Regulations**”). The Foreign Exchange Regulations was enacted by the State Council on 29 January 1996 and implemented on 1 April 1996. On 14 January 1997 and 5 August 2008, the State Council amended the Foreign Exchange Regulations. According to the Foreign Exchange Regulations, the RMB is freely convertible for “current account transactions”, which refers to any transaction account for international receipts and payments involving goods, services, earnings and frequent transfers. For “capital account transactions” which refers to any transaction account for international receipts and payments that result in any change in external assets and liabilities, including, *inter alia*, capital transfers, direct investments, securities investments, derivatives and loans, prior approval of the relevant authorities and registration with the SAFE or its local branches is generally required.

Pursuant to the Administrative Regulation of Foreign Exchange Settlement, Sale and Payment (《結匯、售匯及付匯管理規定》), which was promulgated by the PBOC on 20 June 1996 and came into effect on 1 July 1996, foreign-invested enterprises may only buy, sell and/or remit foreign currencies at banks authorised to conduct foreign exchange business after providing valid commercial documents and, in the case of capital account transactions, obtaining approval from SAFE or its local branches.

On 9 June 2016, the SAFE promulgated the Notice on Reforming and Standardising the Administrative Provisions on Capital Account Foreign Exchange Settlement (《關於改革和規範資本項目結匯管理政策的通知》, the “**SAFE Circular 16**”) which took effect on the same day. On 4 December 2023, the SAFE further promulgated the Notice on Further Deepening Reform and Promoting the Facilitation of Cross-border Trade and Investment (《關於進一步深化改革促進跨境貿易投資便利化的通知》, the “**2023 SAFE Notice**”), which amended certain provisions of SAFE Circular 16 and took effect on the same day. According to SAFE Circular 16, as amended by the 2023 SAFE Notice, enterprises registered in PRC could settle the external debts in foreign currencies to Renminbi at their own discretion. The SAFE Circular 16 sets a uniform standard for discretionary settlement of foreign currencies under capital accounts (including but not limited to foreign currency capital, external debts and repatriated funds raised through overseas listing), which is applicable to all enterprises registered in PRC. It reiterated that the Renminbi funds obtained from the settlement of foreign currencies shall not be used directly or indirectly for purposes beyond the company's scope of business, and shall not be used for domestic securities investment or investments and wealth management products other than principal-protected products issued by banks, unless otherwise expressly prescribed. Furthermore, such Renminbi funds shall not be used for disbursing loans to non-affiliated enterprises, unless the scope of business expressly provides so; and shall not be used to construct or purchase real estate not for self-use (except for real estate enterprises).

The Guidelines on Current Account Foreign Exchange Business (2020 Edition)(《經常項目外匯業務指引(2020年版)》) were issued by the State Administration of Foreign Exchange on June 9, 2020, and took effect on the same date. Pursuant to these Guidelines, SAFE classifies enterprises into Categories

A, B, and C based on their compliance with foreign exchange regulations and other relevant factors, and implements corresponding categorical management. During the validity period of such classification, Category A enterprises are subject to facilitated administrative measures for their foreign exchange receipts and payments from trade in goods. Category B and C enterprises are subject to prudential supervision in areas such as document review, types of business permitted, procedures, and settlement methods for their foreign exchange receipts and payments from trade in goods.

The Notice on Optimizing Foreign Exchange Management to Support the Development of Foreign-related Businesses (《關於優化外匯管理支持涉外業務發展的通知》) was issued by the State Administration of Foreign Exchange on April 10, 2020, and took effect on the same date. Qualified enterprises are permitted to make domestic payments using capital raised from overseas listings, overseas credit facilities, and proceeds from capital account items without prior submission of authenticity documentation for capital to banks. However, the intended use of such funds must be genuine, compliant with regulations, and consistent with existing management rules governing the use of capital account receipts. Relevant banks shall conduct random inspections in accordance with applicable requirements.

The Notice on Further Optimising the Management of Trade Foreign Exchange Businesses (《關於進一步優化貿易外匯業務管理的通知》)(SAFE Huifa [2024] No. 11) was issued by the State Administration of Foreign Exchange on April 30, 2024, and took effect on June 1, 2024. This Notice abolishes the requirement for enterprises to obtain verification and approval from the local branches of SAFE for registration in the “Directory of Enterprises for Trade Foreign Exchange Receipts and Payments” and modifies the procedure such that such registration is to be handled directly with domestic banks.

PRC Currency Controls

Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

Current Account Items

Under the PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers into and outside the PRC.

Pursuant to the Measures on the Trial Administration of Settling Cross-Border Transactions in Renminbi (跨境貿易人民幣結算試點管理辦法) which was promulgated on 1 July 2009, the PRC has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in certain pilot regions. On 17 June 2010, 27 July 2011, 3 February 2012 and 13 March 2014, respectively, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (關於擴大跨境貿易人民幣結算試點有關問題的通知), the Circular on Expanding the Regions of Cross-border Trade Renminbi Settlement (關於擴大跨境貿易人民幣結算地區的通知), both of which have been superseded by subsequent regulations, the Notice on Matters Relevant to the Administration of Enterprises Engaged in Renminbi Settlement of Export Trade in Goods (關於出口貨物貿易人民幣結算企業管理有關問題的通知) and the Notice on Simplifying Matters Relevant to the Administration of Enterprises Engaged in Renminbi Settlement of Export Trade in Goods (關於簡化出口貨物貿易人民幣結算企業管理有關事項的通知)(together as “**Circulars**”). Pursuant to these Circulars, (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts were expanded to cover all provinces and cities in the PRC, (iii) the restriction on designated offshore districts has been lifted and (iv) any enterprise qualified for the export and import business is permitted to use Renminbi as settlement currency for exports of goods without obtaining the approval as previously required, provided that the relevant provincial government has submitted to PBOC and five other PRC authorities (the “**Six Authorities**”) a list of key enterprises subject to supervision and the Six Authorities have reviewed and approved such list (the “**Supervision List**”).

Accordingly, offshore enterprises are entitled to use Renminbi to settle imports of goods and services and other current account items. Renminbi remittance for exports of goods from the PRC may only be effected by (a) enterprises with the foreign trading right and incorporated in a province which has already submitted the Supervision List (for the avoidance of doubt, that PRC enterprises do not necessarily need to be included in the Supervision List), or (b) enterprises that have been approved as pilot enterprises for using Renminbi for exports before the Six Authorities reviewed and approved the Supervision List submitted by relevant province.

On 5 July 2013, PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures (關於簡化跨境人民幣業務流程和完善有關政策的通知)(the “**2013 PBOC Circular**”), which, in particular, simplifies the procedures for cross border Renminbi trade settlement under current account items. For example, PRC banks may conduct settlement for PRC enterprises (excluding those on the Supervision List) upon the PRC enterprises presenting the payment instruction. PRC banks may also allow PRC enterprises to make/receive payments under current account items prior to the relevant PRC bank’s verification of underlying transactions on a need basis (noting that verification of underlying transactions is usually a precondition for cross border remittance).

According to the Notice of the People’s Bank of China on Further Improving Policies for Cross-border RMB Business to Facilitate Trade and Investment (中國人民銀行關於進一步善人民幣跨境業務政策促進貿易投資便利化的通知) promulgated by PBOC on 5 January 2018, any cross-border transaction that may legally be settled in foreign exchange can also be settled in RMB by enterprises. The 2018 Notice, along with other subsequent comprehensive regulations, has effectively superseded and streamlined the earlier pilot-phase circulars referenced above, establishing a unified, principle-based framework for current-account RMB settlement nationwide.

On 1 November 2014, the PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, the PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (關於進一步便利跨國企業集團開展跨境雙向人民幣資金池業務的通知)(the “**2015 PBOC Circular**”), which, *inter alia*, has lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow. The 2015 PBOC Circular also provides that enterprises within a pilot free trade zone in the PRC, such as the China (Shanghai) Pilot Free Trade Zone (“**Shanghai FTZ**”) may establish an additional cash pool in the local scheme in such pilot free trade zone, but each onshore company within the group may only elect to participate in one cash pool.

The regulations referred to will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Circulars and the 2013 PBOC Circular and impose conditions for settlement of current account items.

Capital Account Items

Under the PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of, and/or registration or filing with, the relevant PRC authorities.

Until recently, settlement for capital account items was generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the

relevant authorities. Foreign invested enterprises or relevant PRC parties were also generally required to make capital account payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency.

On 7 April 2011, SAFE promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (關於規範跨境人民幣資本項目業務操作有關問題的通知)(“**SAFE RMB Circular**”), which became effective on 1 May 2011. According to the SAFE RMB Circular in the event that foreign investors intend to use cross-border Renminbi (including offshore Renminbi and onshore Renminbi held in the capital accounts of non-PRC residents) to make contributions to an onshore enterprise or make payments for the transfer of an equity interest of an onshore enterprise by a PRC resident, such onshore enterprise shall be required to submit the prior approval document of the MOFCOM or the relevant local counterparts to the relevant local branches of SAFE of such onshore enterprise and register for a foreign invested enterprise status. Further, the SAFE RMB Circular clarifies that the foreign debts borrowed, and the external guarantee provided, by an onshore entity in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 13 October 2011, the PBOC promulgated the “Administrative Measures on Renminbi Settlement of Foreign Direct Investment”(《外商直接投資人民幣結算業務管理辦法》)(the “**PBOC FDI Measures**”) as part of the implementation of the PBOC’s detailed Renminbi foreign direct investments (“**FDI**”) accounts administration system. The system covers almost all aspects in relation to FDI, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. Under the PBOC FDI Measures, special approval for FDI and shareholder loans from the PBOC, which was previously required, is no longer necessary. In some cases however, post-event filing with the PBOC is still necessary. On 14 June 2012, the PBOC further issued the implementing rules for the PBOC FDI Measures, which provides more detailed rules relating to cross-border Renminbi direct investments and settlement.

Pursuant to the PBOC Circular on Clarifying the Detailed Operating Rules for RMB Settlement Business in Relation to Foreign Direct Investment (《中國人民銀行關於明確外商直接投資人民幣結算業務操作細則的通知》)(the “**PBOC RMB FDI Detailed Rules**”) which was promulgated on 14 June 2012 and the Announcement on Revising Certain Articles of Two Departmental Rules Including the Administrative Provisions on Overseas Foreign Exchange Accounts and Five Regulatory Documents Including the Interim Provisions on the Administration of Domestic Foreign Exchange Transfer (關於對《境外外匯賬戶管理規定》等2件部門規章和《境內外匯劃轉管理暫行規定》等5件規範性文件予以修改的公告) which was promulgated on 5 June 2015, a foreign-invested enterprise shall not use RMB funds in its RMB special deposit account for registered capital purposes, nor shall it use RMB funds in its RMB general offshore loan deposit account for the purchase of financial products or properties not for its own use. Further, foreign-invested enterprises that are not investment companies must not use such RMB funds for reinvestment within the territory of the PRC.

On 10 May 2013, SAFE promulgated the Provisions on the Foreign Exchange Administration of Domestic Direct Investment by Foreign Investors (《外國投資者境內直接投資外匯管理規定》)(the “**SAFE Provisions**”), which became effective on 13 May 2013. According to the SAFE Provisions, foreign investors can use cross-border Renminbi (including Renminbi inside and outside the PRC held in the capital accounts of non-PRC residents) to make a contribution to an onshore enterprise or make a payment for the transfer of an equity interest of an onshore enterprise held by a PRC resident. Capital account transactions in Renminbi must generally follow the current foreign exchange control regime applicable to foreign currencies.

On 3 December 2013, MOFCOM promulgated the “Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment”(《商務部關於跨境人民幣直接投資有關問題的公告》)(the “**MOFCOM Circular**”), which became effective on 1 January 2014, to further facilitate FDI by

simplifying and streamlining the applicable regulatory framework. Unlike previous MOFCOM regulations on FDI, the MOFCOM Circular removes the approval requirement for foreign investors who intend to change the currency of its existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM Circular also clearly prohibits the FDI funds from being used for any investment in securities and financial derivatives (except for investment in the PRC listed companies as strategic investors) or for entrustment loans in the PRC.

To support the development of the Shanghai FTZ, the Shanghai Head Office of the PBOC issued the Circular on Supporting the Expanded Cross-border Utilisation of Renminbi in the Shanghai FTZ (關於支持中國(上海)自由貿易試驗區擴大人民幣跨境使用的通知)(the “**PBOC Shanghai FTZ Circular**”) on 20 February 2014, which allows banks in Shanghai to directly handle the cross-border RMB settlement under recurring items and direct investment items by presenting the collection and payment instructions submitted by the institutions in Shanghai (except for those in the list of enterprises subject to key regulation for RMB settlement of exports trade) and individuals, based on the principles of “knowing your client”, “knowing your business” and “due diligence”. When handling the settlement under direct investment items for the above subjects, banks shall, according to the requirements of the negative list approach for investment admission of the Shanghai FTZ, require the presenting of the approval documents issued by the approval authority for cross-border RMB settlement under direct investment items within the scope of the negative list approach. However, the application of the Shanghai FTZ Circular is limited to the Shanghai FTZ.

According to the Notice on Further Optimizing Cross-Border RMB Policies to Support Stabilizing Foreign Trade and Investment (關於進一步優化跨境人民幣政策支持穩外貿穩外資的通知)(Yin Fa [2020] No. 330) promulgated by PBOC, MOFCOM, SAFE and three other governmental authorities on 31 December 2020, enterprises are no longer required to provide approvals issued by MOFCOM when handling RMB settlement related to FDI. Further, RMB income in capital account of domestic enterprises (including foreign direct investment capital, cross-border financing proceeds, and repatriated funds raised through overseas listings) may be used within the business scope approved by relevant governmental authorities, which shall not be directly or indirectly used for (i) expenditures outside the enterprise’s business scope or expenditures prohibited by national laws and regulations; (ii) securities investments, unless otherwise explicitly specified; (iii) granting loans to non-affiliated enterprises, unless explicitly permitted within the business scope; or (iv) constructing or purchasing non self-use real estate (unless the enterprise is a real estate enterprise). Besides, non-investment foreign-invested enterprises may conduct domestic re-investment using RMB capital, provided that the domestic investment projects are genuine and the applicable laws and regulations are complied with.

The SAFE Provisions, the MOFCOM Circular and the PBOC FDI Measures, which are new regulations, have been promulgated to control the remittance of Renminbi for payment of transactions categorised as capital account items and such new regulations will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

The PRC Legal System

The PRC legal system is based on the PRC Constitution and is made up of written laws, regulations, directives and local laws and laws resulting from international treaties entered into by the PRC government. In general, only limited volumes of published court decisions may be cited for reference, and such cases have limited precedential value as they are not binding on subsequent cases.

The National People's Congress of the PRC ("NPC") and the Standing Committee of the NPC are empowered by the PRC Constitution to exercise the legislative power of the State. The NPC has the power to amend the PRC Constitution and enact and amend basic laws governing State agencies and civil, criminal and other matters. The Standing Committee of the NPC is empowered to enact and amend all laws except for the laws that are required to be enacted and amended by the NPC.

The State Council is the highest organ of the State administration and has the power to enact administrative rules and regulations. The ministries and commissions under the State Council are also vested with the power to issue orders, directives and regulations within the jurisdiction of their respective departments. All administrative rules, regulations, directives and orders promulgated by the State Council and its ministries and commissions must be consistent with the PRC Constitution and the national laws enacted by the NPC and the Standing Committee of the NPC. In the event that a conflict arises, the Standing Committee of the NPC has the power to annul administrative regulations which contradict the PRC Constitution and the national laws, while the State Council has the power to alter or annul any inappropriate rules of the ministries under the State Council. The people's congresses or their standing committees of the provinces, autonomous regions and municipalities directly under the Central Government may, in light of the specific conditions and actual needs of their respective administrative areas, enact local regulations, provided that such regulations do not contradict the PRC Constitution, the national laws and the administrative regulations. The People's Congresses or their standing committees of certain large cities may, in light of the specific local conditions and actual needs, enact local regulations, provided that they do not contradict the PRC Constitution, the national laws, the administrative regulations and the local regulations of their respective provinces or autonomous regions, and they shall submit the regulations to the standing committees of the people's congresses of the provinces or autonomous regions for approval before implementation.

The people's governments of the provinces, autonomous regions, municipalities directly under the Central Government and certain large cities may, in accordance with the national laws and administrative regulations and the local regulations of their respective province, autonomous regions or municipalities, enact rules.

In relation to certain matters except the coercive measures and punishment in respect to crime and criminal penalty, deprivation of political rights and restriction of personal liberty, and to judicial system, the State Council can enact administrative regulations under the authorisation from the NPC and the Standing Committee of NPC. After such administrative regulations have been tested in practice and when the conditions are mature for enacting a law on the aforementioned matters, the State Council shall propose to the NPC and the Standing Committee of NPC in a timely manner for enacting the law.

The PRC Constitution vests the power to interpret laws in the Standing Committee of the NPC. The Supreme People's Court has the power to give general interpretation on the application of laws in judicial proceedings, according to Resolution of the Standing Committee of the NPC providing an Improved Interpretation of the Law. (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》). The State Council and its ministries and commissions are also vested with the power to interpret rules and regulations that they have promulgated. At the regional level, the power to interpret regional rules and regulations is vested in the regional legislative and administrative bodies which promulgated such laws.

The PRC Judicial System

Under the PRC Constitution and the Law of Organisation of the People's Courts, the judicial system is made up of the Supreme People's Court, the local courts, military courts and other special courts.

The local courts are comprised of the basic courts, the intermediate courts and the higher courts.

The basic courts are organised into civil, criminal, administrative and other divisions. The intermediate courts are organised into divisions similar to those of the basic courts, and may further organised into other special divisions, such as the intellectual property division. In addition, the PRC judicial system also includes specialised people's courts established to hear cases in specific fields, such as military courts, maritime courts, intellectual property courts, and financial courts. The judicial work of the courts at lower levels is subject to supervision by the courts at higher levels. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of courts of the same level and lower levels. The Supreme People's Court is the highest judicial body in the PRC. It supervises the administration of justice by all other courts. The courts employ a two-tier appellate system. A party may appeal against a judgement or order of a local court to the court at the next higher level. Second judgements or orders given at the next higher level and the first judgements or orders given by the Supreme People's Court are final. If, however, the Supreme People's Court or a court at a higher level finds an error in a judgement which has been given by any court at a lower level, or the president of a court finds an error in a judgement which has been given in the court over which he presides, the case may then be retried in accordance with the judicial supervision procedures.

The Civil Procedure Law of the PRC, which was adopted on 9 April 1991 and amended on 28 October 2007 (effective on 1 April 2008), secondly amended on 31 August 2012 (effective on 1 January 2013), thirdly amended on 27 June 2017 (effective on 1 July 2017), fourthly amended on 24 December 2021 (effective on 1 January 2022), and fifthly amended on 1 September 2023 (effective on 1 January 2024), sets forth the criteria for instituting a civil action, the jurisdiction of the courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgement or order. All parties to a civil action conducted within the PRC must comply with the Civil Procedure Law. Generally, a civil case is initially heard by a local court of the municipality or province in which the defendant resides. The parties to a contract may, by express agreement, select a jurisdiction where civil actions may be brought, provided that the jurisdiction is either the plaintiff's or the defendant's place of residence, the place of execution or implementation of the contract or the place of the object of the contract. However, such selection cannot violate the stipulations of grade jurisdiction and exclusive jurisdiction in any case.

A foreign individual or enterprise generally has the same litigation rights and obligations as a citizen or legal person of the PRC. If the courts of a foreign country impose restrictions on the civil procedural rights of PRC citizens, legal persons and other organisations, the PRC courts shall apply the principle of reciprocity to the civil procedural rights of citizens, legal persons and organisations of such a foreign country. If any party to a civil action refuses to comply with a judgement or order made by a court or an award granted by an arbitration panel in the PRC, the aggrieved party may apply to the court to request for enforcement of the judgement, order or award. The time limit imposed on the right to apply for such enforcement is two years. If a person fails to satisfy a judgment made by the court within the stipulated time, the court will, upon application by either party, mandatorily enforce the judgment.

Where a party applies for enforcement of an effective judgment or ruling of a court, if the party against whom enforcement is sought or the property thereof is not within the territory of the PRC, the applicant may apply directly to the foreign court having jurisdiction for recognition and enforcement, or apply to a PRC court for such court to request recognition and enforcement by the foreign court in accordance with the provisions of an international treaty concluded or acceded to by the PRC or under the principle of reciprocity. Where a valid and effective judgment or ruling of a foreign court requires recognition and enforcement by a court of the PRC, a party may apply directly to the intermediate court of the PRC having jurisdiction for recognition and enforcement, or apply to the foreign court for the foreign court to request recognition and enforcement by the PRC court in accordance with the provisions of an international treaty concluded or acceded to by the PRC or under the principle of reciprocity. After examining an application or request for recognition and enforcement of a valid and effective judgment or ruling of a foreign court in accordance with an international treaty concluded or acceded to by the PRC or under the principle of reciprocity, a PRC court shall issue a ruling to recognise the legal force of the judgment or ruling and issue an order for enforcement as needed to enforce the judgment or ruling

according to the relevant provisions of the Civil Procedure Law of the PRC if the PRC court deems that the judgment or ruling does not violate the basic principles of the laws of the PRC and the sovereignty, security and public interest of the PRC. If the judgment or ruling violates the basic principles of the laws of the PRC or the sovereignty, security or public interest of the PRC, the PRC court shall not grant recognition and enforcement.

EIT Law

According to the Enterprise Income Tax Law of the PRC (the “**EIT Law**”) and the Implementation Regulations for the EIT Law of the PRC that both took effect on 1 January 2008, a company which is identified as a resident enterprise by relevant PRC tax authorities, the dividends (not including investment income from stocks issued publicly by other PRC resident enterprises and traded on PRC stock exchanges where the holding period is less than 12 months consecutively) received by the company from its direct equity investment in other PRC resident enterprises shall be exempt from enterprise income tax, and furthermore, the company would be obligated to withhold PRC income tax of up to 10%, or a lower rate if tax treaty benefits are available, on the payments of interest and certain other amounts to the creditors that are non-resident enterprises, because the interest and other amounts would be regarded as being derived from sources within the PRC.

Value-added Tax

The Ministry of Finance and the State Administration of Taxation of PRC has implemented the pilot program of replacing business tax with value-added tax since 2016. The Value-Added Tax Law of the People’s Republic of China (the “**VAT Law**”), which came into effect on 1 January 2026, provides the statutory framework for VAT in the PRC and largely codifies and builds upon the VAT regulatory regime established under such pilot program and its subsequent amendments. According to the VAT Law, together with the Notice of the Ministry of Finance and the State Administration of Taxation on the Overall Implementation of the Pilot Program of Replacing Business Tax with Value-added Tax (Caishui [2016] No. 36), (i) entities and individuals engaging in the sale of services, intangible assets or real property within the territory of the People’s Republic of China shall be the taxpayers of value-added tax (“**VAT**”) and shall, instead of business tax, pay VAT in accordance with these Measures; (ii) sale of services refers to the provisions of transportation services, postal services, telecommunication services, construction services, financial services, modern services and consumer services; and (iii) financial services refer to the business activities of financial and insurance operation, including loan processing services, financial services of direct charges, insurance services and the transfer of financial instruments.

Intellectual Property Laws and Regulations

China has adopted legislation related to intellectual property rights, including trademarks, patents and copyrights. China is a signatory to all major intellectual property conventions, including the Paris Convention for the Protection of Industrial Property, Madrid Agreement on the International Registration of Marks and Madrid Protocol, Patent Cooperation Treaty, Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure and the Agreement on Trade-Related Aspects of Intellectual Property Rights (the “**TRIPs**”).

Regulations on Patents

Under the revised Patent Law of the PRC promulgated on 17 October 2020 and effective on 1 June 2021, there are three types of patents, including invention patents, design patents and utility model patents. Invention patents are valid for twenty years, while design patents and utility model patents are valid for ten years, in each case commencing on their respective application dates. Persons or entities who use patents without the consent of the patent owners, make counterfeits of patented products, or engage in activities that infringe upon patent rights are held liable to the patent owner for compensation and may be subject to fines and even criminal punishment.

According to the Patent Law of the PRC, the “first to file” principle is adopted for the patent application, which means when more than one person files a patent application for the same invention, the patent will be granted to the person who files the application first. In addition, China requires absolute novelty for the sake of an invention to be patentable. Therefore, in general, a patent will be denied if it is publicly known in or outside of China. Furthermore, patents issued in China are not enforceable in Hong Kong, Taiwan or Macau, each of which has an independent patent system.

According to the Patent Cooperation Treaty (the “PCT”) to which China is a signatory, applications for the protection of inventions in any of the contracting states of the PCT may be filed as international applications.

Regulations on Trademarks

Both Trademark Law of the PRC promulgated by the National People’s Congress Standing Committee in 1982 and amended in 2001, 2013 and 2019, and the Regulation on Implementation of Trademark Law of the PRC promulgated by the State Council in 2002 and amended in 2014 provide protection to the holders of registered trademarks. In the PRC, registered trademarks include commodity trademarks, service trademarks, collective marks and certificate marks.

The Trademark Office under the State Administration for Industry and Commerce handles trademark registrations and grants a term of ten years to registered trademarks, renewable every ten years where a registered trademark needs to be used after the expiration of its validity term, a registration renewal application shall be filed within six months prior to the expiration of the term.

Under the Trademark Law of the PRC, any of the following acts may be regarded as an infringement upon the right to exclusive use of a registered trademark, including (i) using a trademark which is identical with or similar to the registered trademark on the same or similar commodities without authorisation; (ii) selling the commodities that infringe upon the right to exclusive use of a registered trademark; (iii) forging, manufacturing the marks of a registered trademark of others without authorisation, or selling the marks of a registered trademark forged or manufactured without authorisation; and (iv) causing other damage to the right to exclusive use of a registered trademark of another person. Violation of the Trademark Law of the PRC may result in the imposition of fines, confiscation and destruction of the infringing commodities.

Trademark license agreements must be filed with the Trademark Office under the State Administration for Industry and Commerce or its regional counterparts. The licensor shall supervise the quality of the commodities on which the trademark is used, and the licensee shall guarantee the quality of such commodities.

Regulations on Domain Names

The Measures for the Administration of Domain Names for the Chinese Internet, which were promulgated by the Ministry of Industry and Information on 24 August 2017 and effective on 1 November 2017, regulate registrations of domain names with the Internet country code “.cn” and domain names in Chinese.

The Procedures for Resolution of Disputes over National Top-level Domain Names (2019 Edition), which were promulgated by the Chinese Internet Network Information Centre on 18 June 2019 and became effective on 18 June 2019, require domain name disputes to be submitted to institutions authorised by the Chinese Internet Network Information Centre for resolution.

Regulations on Labour Protection

Enterprises in China are mainly subject to the following PRC labour laws and regulations: Labour Law of the PRC, PRC Employment Contracts Law (the “**Employment Contracts Law**”), the Regulation of Insurance for Work-Related Injury, the Regulations on Unemployment Insurance, the Provisional

Measures on Insurance for Maternity of Employees, the Interim Provisions on Registration of Social Insurance, Social Insurance Law, the Administrative Regulation on Housing Fund and other related regulations, rules and provisions issued by the relevant governmental authorities from time to time.

Pursuant to Labour Law of the PRC companies must enter into employment contracts with their employees, based on the principles of equality, consent and agreement through consultation. Companies must establish and effectively implement a system of ensuring occupational safety and health, educate employees on occupational safety and health, preventing work-related accidents and reducing occupational hazards. Companies must also pay for their employees' social insurance premium.

The principal regulations governing the employment contract is the PRC Employment Contracts Law, which was promulgated by the Standing Committee of the NPC on 29 June 2007 and came into effect on 1 January 2008, and was amended on 28 December 2012. Pursuant to the Employment Contracts Law, employers shall establish employment relationship with employees on the date that they start employing the employees. To establish employment, a written employment contract shall be concluded, or employers will be liable for the illegal actions. Furthermore, the probation period and liquidated damages shall be restricted by the law to safeguard employees' rights and interests.

As required under the Regulation of Insurance for Work-Related Injury, the Provisional Measures on Insurance for Maternity of Employees, Social Insurance Law, and the Administrative Regulation on Housing Fund, enterprises in China are obliged to provide employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, injury insurance, medical insurance and housing accumulation fund.

Dividend Distributions

Under the Company Law, before dividends can be paid, a company shall set aside a minimum of 10% of its after-tax profit as a statutory surplus reserve fund. A company is not required to do so if the reserve balance reaches 50% of its registered capital. If a company's statutory reserve fund is not sufficient to cover its losses in previous years, a company shall use its profit of the current year to cover losses before retaining the statutory reserve fund. After a company has retained the statutory reserve fund as required, it may retain discretionary reserve fund from the after-tax profit (as approved by shareholders' meeting). After losses are covered and the reserve fund is retained, a company may distribute dividends to its shareholders.

PRINCIPAL SHAREHOLDERS

As at 30 June 2025, as far as the Directors are aware, the following persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO:

Name	Capacity/ Nature of interests	Number of shares	Long/Short position	Approximate percentage of shareholding in the Company (%)
State-owned Assets Supervision and Administration Commission	Interest in controlled corporation ⁽¹⁾	4,602,046,234	Long position	74.25
China State Shipbuilding Corporation Limited (中國船舶集團有限公司) . . .	Interest in controlled corporation ⁽¹⁾	4,602,046,234	Long position	74.25
China State Shipbuilding Industry Corporation Limited (中國船舶工業集團有限公司)	Interest in controlled corporation ⁽¹⁾	4,602,046,234	Long position	74.25
CSSC International Holding Company Limited	Beneficial owner ⁽¹⁾	4,602,046,234	Long position	74.25
Central Huijin Investment Ltd.	Interest in controlled corporation ⁽²⁾	500,246,000	Long position	8.07
China Re Asset Management (Hong Kong) Company Limited (中再資產管理(香港)有限公司) . . .	Investment manager ⁽²⁾	500,246,000	Long position	8.07
China Reinsurance (Group) Corporation (中國再保險(集團)股份有限公司) . .	Beneficial owner ⁽²⁾	500,246,000	Long position	8.07 ⁽³⁾

Notes:

- (1) CSSC International Holding Company Limited is a wholly-owned subsidiary of China State Shipbuilding Industry Corporation Limited (中國船舶工業集團有限公司), and China State Shipbuilding Industry Corporation Limited (中國船舶工業集團有限公司) is wholly-owned by China State Shipbuilding Corporation Limited (中國船舶集團有限公司), which is wholly-owned by the State-owned Assets Supervision and Administration Commission. As such, by virtue of the SFO, China State Shipbuilding Industry Corporation Limited (中國船舶工業集團有限公司), China State Shipbuilding Corporation Limited (中國船舶集團有限公司) and the State-owned Assets Supervision and Administration Commission are deemed to be interested in the 4,602,046,234 Shares held by CSSC International Holding Company Limited.
- (2) Central Huijin Investment Ltd. holds 71.56% of the equity interest in China Reinsurance (Group) Corporation (中國再保險(集團)股份有限公司). As such, by virtue of the SFO, Central Huijin Investment Ltd. is deemed to be interested in the 500,246,000 Shares held by China Reinsurance (Group) Corporation (中國再保險(集團)股份有限公司). The shares held by China Re Asset Management (Hong Kong) Company Limited (中再資產管理(香港)有限公司) are the same batch as those held by China Reinsurance (Group) Corporation (中國再保險(集團)股份有限公司). As at the date of this Offering Circular, China Reinsurance (Group) Corporation (中國再保險(集團)股份有限公司) has disposed of the 500,246,000 Shares and does not hold any Share.

Save as disclosed above, as at the date of this Offering Circular, as far as the Directors are aware, no any other persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to completion and amendment and other than the words in italics, is the text of the Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds:

The issue of the HK\$2,338,000,000 aggregate principal amount of 0.75 per cent. guaranteed convertible bonds due 2031 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 17 and consolidated and forming a single series therewith) of CSSC Capital 2015 Limited (the “**Issuer**”) was authorised by the directors of the Issuer on 20 January 2026 and by the sole shareholder of the Issuer on 12 January 2026 and the guarantee of the Bonds and the right of conversion into Shares (as defined in Condition 6(A)(iv)) was authorised by the meeting of the board of directors of CSSC (Hong Kong) Shipping Company Limited 中國船舶集團(香港)航運租賃有限公司 (the “**Guarantor**”) held on 12 January 2026. The Bonds are constituted by the trust deed (as amended, supplemented and/or restated from time to time, the “**Trust Deed**”) dated on or about 28 January 2026 (the “**Issue Date**”) between the Issuer, the Guarantor and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)(the “**Trustee**”, which expression shall include all persons for the time being acting as trustee or trustees under the Trust Deed) as trustee for the holders (as defined below) of the Bonds. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Bondholders (as defined below) are entitled to the benefit of, and are bound by, and are deemed to have notice of, all of the provisions of the Trust Deed, and are deemed to have notice of those provisions applicable to them of the agency agreement dated on or about 28 January 2026 (as amended, supplemented and/or restated from time to time, the “**Agency Agreement**”) relating to the Bonds between the Issuer, the Guarantor, the Trustee, China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as principal paying agent and principal conversion agent (collectively in such capacities, the “**Principal Agent**” which expression shall include any successor principal agent appointed from time to time in connection with the Bonds) and as transfer agent (the “**Transfer Agent**”, which expression shall include any successor transfer agent appointed from time to time in connection with the Bonds), China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as registrar (the “**Registrar**”, which expression shall include any successor registrar appointed from time to time in connection with the Bonds) and the other paying agents, conversion agents and transfer agents appointed under it (each a “**Paying Agent**”, a “**Conversion Agent**” or a “**Transfer Agent**”, as the case may be, and, together with the Registrar, the Transfer Agent and the Principal Agent, the “**Agents**”) relating to the Bonds. References to “**Paying Agent**”, “**Transfer Agent**” and “**Conversion Agent**” each include the Principal Agent and any successor or additional paying agent, transfer agent or conversion agent appointed from time to time in connection with the Bonds. References to the “**Principal Agent**”, the “**Registrar**”, the “**Transfer Agent**” and “**Agents**” below are references to the principal agent, the registrar, the transfer agent and the agents for the time being for the Bonds.

Copies of the Trust Deed and of the Agency Agreement (i) are available for inspection by Bondholders at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the principal office for the time being of the Trustee (being on the Issue Date at 3/F, CCB Tower, 3 Connaught Road Central, Hong Kong) following prior written request and proof of holding and identity to the satisfaction of the Trustee or (ii) may be provided by email to any Bondholder following prior written request and proof of holding and identity to the satisfaction of the Trustee or the Principal Agent.

Unless otherwise defined, capitalised terms used in these Conditions have the meanings specified in the Trust Deed. In these Conditions, “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a Bond is registered.

1 Form, Denomination and Title

(A) Form and Denomination

The Bonds are in registered form in the denomination of HK\$2,000,000 and integral multiples thereof (an “**Authorised Denomination**”). A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.

*Upon issue, the Bonds will be represented by a global certificate (“**Global Certificate**”) registered in the name of a nominee of, and deposited with, a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). 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 Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.

(B) Title

Title to the Bonds will pass only by transfer and registration in the Register as described in Condition 3. The holder of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) 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 or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder.

2 Status and Guarantee

(A) Status of Bonds

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(A)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and regulations and subject to Condition 4(A), at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations of the Issuer.

(B) Guarantee

The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds (the “**Guarantee**”). The payment obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable laws and regulations and subject to Condition 4(A), at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Guarantor.

3 Transfers of Bonds; Issue of Certificates

(A) Register

The Issuer will cause the Register to be kept with the Registrar outside of Hong Kong and the United Kingdom in accordance with the terms of the Agency Agreement on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the

Bonds held by them and of all transfers, redemptions and conversions of the Bonds. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

(B) Transfer

Each Bond may, subject to Conditions 3(E), 3(F) and the terms of the Agency Agreement, be transferred in whole or in part in an Authorised Denomination by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of either the Registrar or any of the Transfer Agents, together with such evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer *provided, however*, that a Bond may not be transferred unless the principal amount of the Bond transferred and (where not all of the Bonds held by the holder are being transferred) the principal amount of the balance of the Bonds not so transferred, is an Authorised Denomination. In the case of a transfer of part only of a holding of Bonds (being that of one or more Bonds) represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. No transfer of a Bond will be valid unless and until entered on the Register. A Bond may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

Transfers of interests in the Bonds evidenced by the Global Certificate will be effected in accordance with the rules and procedures of the relevant clearing systems.

(C) Delivery of New Certificates

Each new Certificate to be issued upon a transfer or (if applicable) conversion of Bonds will, within seven business days of receipt by the Registrar or, as the case may be, any other relevant Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder and at the Issuer's (failing whom the Guarantor's) expense) to the address specified in the form of transfer.

Except in the limited circumstances described in the Global Certificate, owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates.

Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, converted, redeemed or repurchased, a new Certificate in respect of the Bonds not so transferred, converted, redeemed or repurchased will, within seven business days of delivery of the original Certificate to the Registrar or, as the case may be, any other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, converted, redeemed or repurchased (but free of charge to the holder and at the Issuer's (failing whom the Guarantor's) expense) to the address of such holder appearing on the Register.

For the purposes of this Condition 3 and Condition 6, “**business day**” means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the relevant Transfer Agent, with whom a Certificate is deposited in connection with a transfer or conversion, is located.

(D) *Formalities Free of Charge*

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent, subject to (i) the person making such application for transfer making payment of any tax, duty or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or pre-funding as the Registrar or the relevant Transfer Agent may require), (ii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied in its absolute discretion with the documents of title or identity of the person making the application and (iii) the relevant Agent being satisfied that the regulations concerning the transfers of Bonds as referred to in Condition 3(F) have been complied with.

(E) *Restricted Transfer Periods*

No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on the dates for payment of any principal or interest pursuant to these Conditions; (ii) during the period of 15 days ending on any date on which such Bond may be called for redemption by the Issuer at its option pursuant to Condition 8(B) or Condition 8(C); (iii) after a Conversion Notice (as defined in Condition 6(B)(i)) has been delivered with respect to such Bond; (iv) after a Relevant Event Put Exercise Notice (as defined in Condition 8(D)) or an Optional Put Exercise Notice (as defined in Condition 8(E)) has been deposited in respect of such Bond pursuant to Condition 8(D) or, as the case may be, Condition 8(E); or (v) during the period of seven days ending on (and including) any Interest Record Date (as defined in Condition 7(A)), each such period a “**Restricted Transfer Period**”.

(F) *Regulations*

All transfers of Bonds and entries on the Register will be made in accordance with the detailed regulations concerning transfers of Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, or by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Bondholder following prior written request and proof of holding and identity to the satisfaction of the Registrar at all reasonable times during normal business hours (being between 9.00 a.m. (Hong Kong time) and 3.00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the specified office of the Registrar.

4 Covenants

(A) *Negative Pledge*

So long as any Bond remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will, and each of the Issuer and the Guarantor will ensure that none of its Subsidiaries will, create, or have outstanding any Security Interest (save for a Permitted Security Interest), upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, in any case without at the same time or prior thereto, according to the Bonds (i) the same security as is created or

subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) such other security for the Bonds as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Bondholders.

(B) Reporting to NDRC

The Issuer undertakes that it will (i) within 10 Registration Business Days (as defined below) after the Issue Date (or with respect to any further issue pursuant to Condition 17, within 10 Registration Business Days after the issue date of such further issue) file or cause to be filed with the NDRC the requisite information and documents in connection with the Bonds in accordance with the NDRC Administrative Measures; and (ii) file or cause to be filed with the NDRC other requisite information and documents in connection with the Bonds from time to time within the relevant prescribed timeframe in accordance with the NDRC Administrative Measures (together with (i), the “**NDRC Post-Issue Filing**”). The Issuer and the Guarantor shall comply with all applicable PRC laws, rules and regulations in connection with the Bonds (including the NDRC Administrative Measures, if applicable).

(C) Notification of Submission of the NDRC Post-Issue Filing

The Issuer shall, within 20 Registration Business Days after submission of the NDRC Post-Issue Filing with respect to Condition 4(B)(i), provide the Trustee with (i) a certificate in English substantially in the form scheduled to the Trust Deed signed by an Authorised Signatory of the Issuer confirming the completion of such NDRC Post-Issue Filing and (ii) copies of the relevant documents evidencing due filing with the NDRC (if any) (the items specified in (i) and (ii) together, the “**NDRC Registration Documents**”).

The Issuer shall, within 10 Registration Business Days after the NDRC Registration Documents are delivered to the Trustee (and with respect to any further issue pursuant to Condition 17, within 10 Registration Business Days after the NDRC Registration Documents with respect to such further issue are delivered to the Trustee), give notice to the Bondholders (in accordance with Condition 11) confirming the completion of the NDRC Post-Issue Filing with respect to Condition 4(B)(i).

The Trustee may rely conclusively on the NDRC Registration Documents and shall have no obligation or duty to monitor, assist with or ensure the NDRC Post-Issue Filing is made on or before the relevant deadline set out in Condition 4(B) or to verify the accuracy, validity and/or genuineness of any documents or information in relation to or in connection with the NDRC Post-Issue Filing and/or the NDRC Registration Documents or to translate or procure the translation into English any NDRC Registration Document or to give notice to the Bondholders confirming the completion of the NDRC Post-Issue Filing, and the Trustee shall not be liable to the Issuer, the Guarantor, the Bondholders or any other person for not doing so.

(D) Financial Information:

- (i) So long as the Bonds remain outstanding, the Guarantor shall provide the Trustee with, as soon as they are available, but in any event not more than 14 calendar days after they are filed with the HKSE (as defined below) or any other recognised exchange on which the Guarantor’s common stock is at any time listed for trading, true and correct copies of the annual audited consolidated financial statements of the Guarantor, the semi-annual unaudited consolidated financial statements of the Guarantor and any other financial report (if any) in the English language filed with such exchange; *provided that* if at any time the common stock of the Guarantor ceases to be listed for trading on a recognised stock exchange, the Guarantor shall provide to the Trustee with:

- (a) as soon as they are available and in any event within 150 days of the end of each Relevant Period, a copy of the relevant Audited Financial Reports prepared in accordance with HKFRSs (audited by a nationally or internationally recognised firm of independent accountants); and
- (b) a copy of the Unaudited Financial Reports within 110 days of the end of each Relevant Period prepared on a basis consistent with the Audited Financial Reports provided to the Trustee pursuant to paragraph (a) of this Condition (D)(i), and

if such reports shall be in the Chinese language, together with an English translation of the same translated by (x) a nationally or internationally recognised firm of independent accountants or (y) a professional translation service provider and checked by a nationally or internationally recognised firm of independent accountants, together in each case with a certificate in English signed by an Authorised Signatory of the Guarantor certifying that such translation is complete and accurate.

- (ii) So long as the Bonds remain outstanding, each of the Issuer and the Guarantor shall provide the Trustee with a Compliance Certificate (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) (a) at the same time as the annual audited consolidated financial statements of the Guarantor or the Audited Financial Reports of the Guarantor, as the case may be, are provided to the Trustee pursuant to Condition 4(D)(i)(a) and (b) within 14 days of any written request therefor by the Trustee.

(E) Issuer's activities

So long as the Bonds remain outstanding (as defined in the Trust Deed), the Issuer will not conduct any business or any activities other than financing activities and the lending of the proceeds thereof to the Guarantor or any of the Guarantor's Subsidiaries and affiliates and any other activities reasonably incidental thereto.

(F) CSRC Post-Issuance Filings

So long as any Bond remains outstanding, the Guarantor undertakes to file or cause to be filed with the CSRC within the relevant prescribed timeframes after the Issue Date the requisite information and documents in respect of the Bonds and comply with the continuing obligations in accordance with the CSRC Filing Rules and any implementation rules, reports, certificates, approvals or guidelines as issued by the CSRC from time to time, including but not limited to the Initial CSRC Post-Issuance Filing (as defined below).

(G) Notification of Submission of the Initial CSRC Post-Issuance Filing

The Guarantor shall:

- (i) file or cause to be filed with the CSRC the CSRC Filing Report and other requisite information and documents within three Registration Business Days after the Issue Date in accordance with the CSRC Filing Rules (the “**Initial CSRC Post-Issuance Filing**”); and
- (ii) within 20 Registration Business Days after the submission of the Initial CSRC Post-Issuance Filing, provide the Trustee with a certificate in English signed by any Authorised Signatory of the Guarantor substantially in the form scheduled to the Trust Deed, confirming the submission of Initial CSRC Post-Issuance Filing (the “**CSRC Registration Document**”). In addition, the Guarantor shall within 10 Registration

Business Days after the CSRC Registration Documents are delivered to the Trustee, give notice to the Bondholders in accordance with Condition 11 confirming the submission of the Initial CSRC Post-Issuance Filing.

The Trustee and the Agents may rely conclusively on the CSRC Registration Document and shall have no obligation or duty to monitor, assist with or ensure the completion of Initial CSRC Post-Issuance Filing within the timeframe set out above in Condition 4(F) or to verify the accuracy, validity and/or genuineness of any certificate, confirmation or other documents in relation to or in connection with the Initial CSRC Post-Issuance Filing and/or the CSRC Registration Documents or to translate or procure the translation into English any CSRC Registration Document or the documents in relation to or in connection with the Initial CSRC Post-Issuance Filing or to give notice to the Bondholders confirming the submission of the Initial CSRC Post-Issuance Filing, and shall not be liable to the Issuer, the Guarantor, any Bondholder or any other person for not doing so.

(H) Definitions

In these Conditions:

“Asset-Backed Securities” means any Relevant Indebtedness:

- (i) if by the terms of such indebtedness it is expressly *provided* that recourse by the holders of such indebtedness is limited to the properties or assets of the Guarantor and the revenues to be generated by the operation of, or loss of or damage to, such properties or assets, for repayment of the moneys advanced and payment of interest thereon; and
- (ii) which is not guaranteed by the Guarantor or any of its Subsidiaries;

“Audited Financial Reports” means the annual audited consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statements of changes in owners’ equity of the Guarantor together with any statements, reports (including any directors’ and auditors’ reports, if any) and notes attached to or intended to be read with any of them;

“Authorised Signatory” means, in relation to the Issuer or the Guarantor, any director or any other officer of the Issuer or the Guarantor, as the case may be, who has been authorised by the Issuer or the Guarantor, as the case may be, to sign the certificates and other documents required or contemplated under the Bonds, the Trust Deed, the Agency Agreement or any other transaction document in relation to the Bonds on behalf of, and so as to bind, the Issuer or the Guarantor, as the case may be, and which the Issuer or the Guarantor, as the case may be, has notified in writing to the Trustee and the Agents as provided in the Agency Agreement;

“Compliance Certificate” means a certificate in English substantially in the form scheduled to the Trust Deed of each of the Issuer and the Guarantor, signed by an Authorised Signatory of the Issuer or, as the case may be, the Guarantor, that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer or the Guarantor (as the case may be) as at a date (the **“Certification Date”**) not more than five days before the date of the certificate that:

- (i) no Event of Default (as defined in Condition 10) or Potential Event of Default had occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and

- (ii) the Issuer or, as the case may be, the Guarantor has complied with all its respective covenants and obligations under the Trust Deed and the Bonds or, if non-compliance had occurred, giving details of it;

“**CSRC**” means the China Securities Regulatory Commission of the PRC;

“**CSRC Filing Report**” means the filing report of the Issuer in relation to the issuance of the Bonds which will be submitted to the CSRC within three Registration Business Days after the Issue Date pursuant to Articles 13 and 16 of the CSRC Filing Rules;

“**CSRC Filing Rules**” means the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC on 17 February 2023 (effective from 31 March 2023), as amended, supplemented or otherwise modified from time to time;

“**HKFRSs**” means the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (as in effect from time to time);

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**NDRC**” means the National Development and Reform Commission of the PRC;

“**NDRC Administrative Measures**” means the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) issued by the NDRC on 5 January 2023 and became effective on 10 February 2023 and any implementation rules, regulations, certificates, circulars or notices in connection therewith as issued by the NDRC from time to time;

“**Permitted Security Interests**” means:

- (i) any Security Interest over any assets (or related documents of title) purchased by the Guarantor or any of its Subsidiaries as security for all or part of the purchase price of such assets and any substitute Security Interest created on those assets in connection with the refinancing (together with interest, fees and other charges attributable to such refinancing) of the indebtedness secured on those assets, *provided* that in the case of refinancing, the principal or nominal amount of such refinancing is not greater than the amount of the original financing;
- (ii) any Security Interest over any assets (or related documents of title) purchased or acquired by the Guarantor or any of its Subsidiaries subject to such Security Interest and any substitute Security Interest created on those assets in connection with the refinancing (together with interest, fees and other charges attributable to such refinancing) of the indebtedness secured on those assets, *provided* that in the case of refinancing, the principal or nominal amount of such refinancing is not greater than the amount of the original financing; or
- (iii) any Security Interest created to secure Asset-Backed Securities issued by a Subsidiary of the Guarantor;

provided that the aggregate value of the relevant assets subject to the Security Interest pursuant to this provision do not exceed 10 per cent. of the total consolidated assets of the Guarantor and its Subsidiaries measured in accordance with HKFRSs based on the latest Audited Financial Reports and the Unaudited Financial Reports, as the case may be;

“**person**” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof (in each case whether or not being a separate legal entity);

“**Potential Event of Default**” means any event or circumstance which would with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 10 become an Event of Default;

“**PRC**” means the People’s Republic of China, which shall, for the purpose of these Conditions only, exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;

“**Registration Business Day**” means a day, other than a Saturday, a Sunday or a public holiday, on which commercial banks are generally open for business in Beijing;

“**Relevant Indebtedness**” means any debt issued outside the PRC which is in the form of, or represented or evidenced by, bonds, notes, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market (which, for the avoidance of doubt, does not include bilateral loans, syndicated loans or club deal loans);

“**Relevant Period**” means (i) in relation to the Audited Financial Reports, each period of twelve months ending on the last day of the Guarantor’s financial year (being 31 December of that financial year); and (ii) in relation to the Unaudited Financial Reports, each period of six months ending on the last day of the Guarantor’s first half financial year (being 30 June of that financial year);

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest;

“**Subsidiary**” means, with respect to any person, any corporation, association or other business entity which at any time has its accounts consolidated with those of that person in accordance with HKFRSs; and

“**Unaudited Financial Reports**” means the semi-annual unaudited condensed consolidated statement of financial position, condensed consolidated income statement and statement of comprehensive income, condensed consolidated changes in owner’s equity and condensed consolidated statement of cash flows of the Guarantor together with any statements, reports (including any directors’ and interim review reports, if any) and notes attached to or intended to be read with any of them, if any.

5 Interest

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.75 per cent. per annum, payable quarterly in arrear in equal instalments of HK\$3,750 per Calculation Amount (as defined below) on 28 January, 28 April, 28 July and 28 October in each year (each an “**Interest Payment Date**”), beginning on 28 April 2026.

Each Bond will cease to bear interest (A) (subject to Condition 6(B)(v)) where the Conversion Right attached to it shall have been exercised by a Bondholder, from and including the Interest Payment Date immediately preceding the relevant Conversion Date (as defined in Condition 6(B)(i)), or if none, the Issue Date (subject in any case as provided in Condition 6(B)(v)), or (B) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal or premium (if any) is improperly withheld or refused. In such event, it will continue to bear interest at 1.75 per cent. per annum (both before and after judgment) until whichever is the

earlier of (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (ii) the day falling seven days after the Trustee or the Principal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

Interest in respect of any Bond shall be calculated per HK\$2,000,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any period shall, save as provided above in relation to equal instalments, be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards). If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined 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.

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each such successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

6 Conversion

(A) Conversion Right

- (i) *Conversion Period*: Subject to the right of the Issuer to make a Cash Election as provided in Condition 6(B)(iv) and as otherwise hereinafter provided, each Bond shall entitle the holder to convert such Bond into Shares (as defined in Condition 6(A)(iv)) credited as fully paid at any time during the Conversion Period referred to below (the “**Conversion Right**”).

Subject to and upon compliance with these Conditions, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time (subject to any applicable fiscal or other laws or regulations and as hereinafter provided) on or after 10 March 2026 up to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date falling ten days prior to the Maturity Date (both days inclusive) (but, except as provided in Condition 6(A)(iii), in no event thereafter) or, if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to the close of business (at the place aforesaid) on the date falling ten days prior to the date fixed for redemption thereof (both days inclusive), or if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(D) or Condition 8(E), then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice requiring redemption (the “**Conversion Period**”).

Notwithstanding the foregoing, if the Conversion Date in respect of a Bond would otherwise fall during a period (commencing on or before the final day of the Conversion Period) in which the register of shareholders of the Guarantor is closed generally or for the purpose of establishing entitlement to any distribution or other rights attaching to the Shares (a “**Book Closure Period**”), such Conversion Date shall be postponed to the first Stock Exchange Business Day (as defined in Condition 6(B)(i)) following the expiry of such Book Closure Period.

If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period, such Conversion Date shall be deemed to be the final day of such Conversion Period.

The price at which Shares will be issued upon the conversion of any Bond (the “**Conversion Price**”) will initially be HK\$2.39 per Share, but will be subject to adjustment in the manner described in Condition 6(C).

The number of Shares to be issued on the conversion of any Bond shall be determined by dividing the principal amount of such Bond to be converted by the Conversion Price in effect on the relevant Conversion Date (as defined in Condition 6(B)(i) below). A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

- (ii) *Fractions of Shares*: Fractions of Shares will not be issued on conversion and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after 21 January 2026 which reduces the number of Shares outstanding, the Issuer (failing which, the Guarantor) will upon conversion of Bonds pay in cash (in Hong Kong dollars) a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6(A)(i), as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds HK\$100. Any such sum shall be paid not later than seven Stock Exchange Business Days (as defined in Condition 6(B)(i)) after the relevant Conversion Date by a Hong Kong dollar denominated cheque or by transfer to a Hong Kong dollar account maintained by the payee in accordance with instructions given by the relevant Bondholder in the Conversion Notice.
- (iii) *Revival and/or survival after Default*: Notwithstanding the provisions of Condition 6(A)(i), if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called or put for redemption on the date fixed for redemption thereof; (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events under Condition 10; or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8(A), the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders in accordance with Condition 11 and notwithstanding the provisions of Condition 6(A)(i), any Bond in respect of which the Certificate and Conversion Notice (as defined in Condition 6(B)(i)) are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6(B)(i)) notwithstanding that the

full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

- (iv) *Meaning of “Shares”*: As used in these Conditions, the expression “**Shares**” means ordinary shares of the Guarantor or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Guarantor. For the purpose of Condition 6 only, (a) references to the “issue” of Shares or Shares being “issued” shall include the delivery or sale of Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries, and (b) Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Condition 6(C)(4) and 6(C)(5), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “in issue” or “issued”.

(B) Conversion Procedure

- (i) *Conversion Notice*: To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense during the Conversion Period at the specified office of any Conversion Agent during its usual business hours (being between 9:00 a.m. Hong Kong time) and 3:00 p.m. (Hong Kong time)) on any business day (being any day from Monday to Friday other than public holidays on which commercial banks are generally open for business in the city of the specified office of the Conversion Agent) a duly completed and signed notice of conversion (a “**Conversion Notice**”) in the form (for the time being current and being substantially in the form scheduled to the Agency Agreement) obtainable from the specified office of each Conversion Agent, together with the relevant Certificate in respect of such Bond and confirmation that any amounts required to be paid by the Bondholder under Condition 6(B)(ii) have been so paid. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located.

If such deposit is made after the end of usual business hours (being 3:00 p.m. (Hong Kong time) on any business day (being any day from Monday to Friday other than public holidays on which commercial banks are generally open for business in the city of the specified office of the Conversion Agent)) or on a day which is not a business day in the place of the specified office of the relevant Conversion Agent, such deposit shall be deemed for all purposes of these Conditions to have been made on the next following business day. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal.

Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the relevant Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Guarantor, the Trustee, the other Conversion Agents and the relevant Bondholder.

Conversion Rights may only be exercised in respect of an Authorised Denomination.

The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when a Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6(A)(iii)) and shall be deemed to be the Stock Exchange Business Day (as defined below) immediately following the later of the date of the surrender of the Certificate in respect of such Bond and delivery of such

Conversion Notice to the Conversion Agent and, if applicable, any payment to be made or indemnity and/or security and/or pre-funding given under these Conditions in connection with the exercise of such Conversion Right.

“Stock Exchange Business Day” means any day (other than a Saturday, Sunday or public holiday) on which the Relevant Stock Exchange (as defined in Condition 6(F) below), as the case may be, is open for the business of dealing in securities.

- (ii) **Stamp Duty etc.:** A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any and all taxes and/or capital, stamp, issue and registration and transfer taxes and duties (**“Duties”**) arising on such exercise (other than any Duties payable in the British Virgin Islands and Hong Kong and, if relevant, in the place of the Alternative Stock Exchange (as defined in Condition 6(F) below) by the Issuer and the Guarantor in respect of the allotment and issue of Shares and listing of the Shares on the Relevant Stock Exchange on conversion, being the **“Issuer Duties”**) (such Duties and such Issuer Duties are collectively referred to as the **“Taxes”**). The Issuer and the Guarantor will pay all other expenses arising on the issue of Shares on conversion of Bonds. The Bondholder (and, if different, the person to whom the Shares are to be issued) must declare in the relevant Conversion Notice that any amounts payable to the relevant tax authorities in settlement of Duties payable pursuant to this Condition 6(B)(ii) have been, or (where permitted by law) will be, paid.

If the Issuer and the Guarantor shall fail to pay any amount payable for which it is responsible as provided above in this Condition 6(B)(ii), the relevant holder shall be entitled to tender and pay the same and the Issuer and the Guarantor as a separate and independent stipulation covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

Such Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it.

Neither the Trustee nor any of the Agents shall be responsible to Bondholders, the Issuer, the Guarantor or any other person for paying any Taxes or any expenses or other amounts referred to in this Condition 6(B)(ii) or for determining whether such Taxes, expenses or other amounts are payable or the amount thereof and none of them shall be responsible or liable for any failure by the Issuer, the Guarantor or any Bondholder to pay such Taxes, expenses or other amounts.

- (iii) **Registration:** Upon exercise by a Bondholder of its Conversion Right and compliance with Conditions 6(B)(i) and 6(B)(ii), the Guarantor will, as soon as practicable, and in any event not later than seven Stock Exchange Business Days after the Conversion Date, register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Guarantor’s share register in Hong Kong and will, if the Bondholder has also requested in the Conversion Notice and to the extent permitted under applicable law and the rules and procedures of the Central Clearing and Settlement System of Hong Kong (**“CCASS”**) effective from time to time, take all necessary actions to procure that Shares are delivered through CCASS for so long as the Shares are listed on the HKSE (as defined in Condition 6(F) below); or will make such share certificate or certificates available for collection at the office of the Guarantor’s share registrar in Hong Kong (currently at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong) notified to Bondholders in accordance with Condition 11 or, if so requested in the relevant Conversion Notice, will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary

mail, at the expense, of the person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Conversion Notice, together (in either case) with any other securities, property or cash required to be delivered upon conversion of the Bonds and such assignments and other documents (if any) as may be required by law to effect the transfer thereof, in which case a single share certificate will be issued in respect of all Shares issued on conversion of Bonds subject to the same Conversion Notice and which are to be registered in the same name.

The delivery of the Shares to the converting Bondholder (or such person or persons designated in the relevant Conversion Notice) in the manner contemplated above in this Condition 6(B)(iii) will be deemed to satisfy the Issuer's obligation to pay the principal and premium (if any) and any other amount on such converted Bonds.

If (A) the Registration Date (as defined below) in relation to the conversion of any Bond shall be on or after the record date for any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6(C), and (B) the Conversion Date in relation to such exercise shall be before the date on which such adjustment to the Conversion Price becomes effective under the relevant Condition (any such adjustment, a "**Retroactive Adjustment**"), upon the relevant adjustment to the Conversion Price becoming effective under the relevant Condition, the Guarantor shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as is, together with Shares to be issued on conversion of the Bond(s), equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on or immediately prior to the relevant Conversion Date and in such event and in respect of such Additional Shares references in this Condition 6(B)(iii) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period). If the Issuer has elected to pay the converting Bondholder cash in lieu of Shares pursuant to the Cash Settlement Option (as defined in Condition 6(B)(iv)), the number of Additional Shares shall be determined by assuming that the Issuer had not elected the Cash Settlement Option. In such case, the Issuer shall satisfy its obligations under Condition 6(B)(iv) by paying, as soon as practicable and in any event not later than ten Stock Exchange Business Days after the date of relevant adjustment of the Conversion Price under the relevant Condition becoming effective, to the converting Bondholder an aggregate amount in Hong Kong dollars equivalent to the product of the Closing Price of any Share and any such Additional Shares on the date the Issuer would be required to deliver such Shares if the Cash Settlement Option had not been exercised.

The person or persons specified for that purpose in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Guarantor's register of members (the "**Registration Date**").

The Shares issued upon conversion of the Bonds will be fully paid and will in all respects rank *pari passu* with the fully paid Shares in issue on the relevant Registration Date except for any right excluded by mandatory provisions of applicable law. Save as set out in these Conditions, a holder of Shares issued on conversion of the Bonds shall not be entitled to any rights, the record date for which precedes the relevant Registration Date. Upon delivery of Shares in satisfaction of the Conversion Right of any converting Bondholder and the completion of such registration in accordance with

this Condition 6(B)(iii), the right of such converting Bondholder to any repayment of the principal, premium or any other amounts under the Bond so converted shall be extinguished.

- (iv) **Cash Settlement:** Notwithstanding the Conversion Right of each Bondholder in respect of each Bond, at any time when the delivery of Shares deliverable upon conversion of the Bond is required to satisfy the Conversion Right in respect of a Conversion Notice, the Issuer shall have the option, in its sole discretion, to pay to the relevant Bondholder an amount of cash equivalent to the Cash Settlement Amount (as defined below) in order to satisfy such Conversion Right in whole or in part (and if in part, the other part shall be satisfied by the delivery of Shares) (the “**Cash Settlement Option**”). In order to exercise the Cash Settlement Option, the Issuer shall provide notice of the exercise of the Cash Settlement Option (the “**Cash Settlement Notice**”) to the relevant Bondholder, the Trustee and the Agents as soon as practicable but no later than the fifth Stock Exchange Business Day following the date of the Conversion Notice (the date of such Cash Settlement Notice being the “**Cash Settlement Notice Date**”). The Cash Settlement Notice must specify the number of Shares in respect of which the Issuer will make a cash payment in the manner described in this Condition 6(B)(iv). The Issuer shall pay the Cash Settlement Amount no later than five Stock Exchange Business Days after the 20 Stock Exchange Business Day period used to determine the Cash Settlement Amount. The Cash Settlement Amount shall be paid directly by the Issuer by means of a Hong Kong dollar cheque drawn on, or by transfer to a Hong Kong dollar account maintained by the payee with, a bank that processes payments in Hong Kong dollars in accordance with the instructions given by the relevant Bondholder in the relevant Conversion Notice. If the Issuer exercises its Cash Settlement Option in respect of Bonds held by more than one Bondholder which are to be converted on the same Conversion Date, the Issuer shall make the same proportion of cash and Shares available to such converting Bondholders but the Issuer will not have any obligation to make the same proportion of cash and Shares available with respect to any conversions by holders occurring on different Conversion Dates.

For the purposes of these Conditions:

“**Cash Settlement Amount**” means an amount in Hong Kong dollars equal to the product of:

- (a) the number of Shares otherwise deliverable upon exercise of the Conversion Right in respect of the Bonds to which the Conversion Notice applies, and in respect of which the Issuer has elected the Cash Settlement Option; and
- (b) the arithmetic average of the Volume Weighted Average Price (as defined below) of the Shares for each day during the 20 Stock Exchange Business Days immediately after the Cash Settlement Notice Date. The Issuer shall provide notice of the calculation of the Cash Settlement Amount to the Bondholders, the Trustee and the Agents no later than the second Stock Exchange Business Day after the 20 Stock Exchange Business Day period used to determine the Cash Settlement Amount following the Cash Settlement Notice Date; and

If the Issuer is at any time otherwise (for any reason whatsoever) unable to issue sufficient Shares in satisfaction of the Conversion Right of any converting Bondholder, the Issuer undertakes to exercise the Cash Settlement Option in full, or to the extent required, to satisfy the Conversion Right of such Bondholder.

“**Volume Weighted Average Price**” means, in relation to a Share for any Stock Exchange Business Day, the order book volume-weighted average price of a Share for such Stock Exchange Business Day appearing on or derived from Bloomberg screen page “3877 HK Equity VAP” (or its successor page) or, if not available on any of such screens, from such other source as shall be determined in good faith and in a commercially reasonable manner, using a volume-weighted average method, to be appropriate by an Independent Investment Bank, provided that for any Stock Exchange Business Day where such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share in respect of such Stock Exchange Business Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Stock Exchange Business Day on which the same can be so determined.

- (v) **Interest Accrual:** If any notice requiring the redemption of any Bonds is given pursuant to Conditions 8(B) or 8(C) on or after the 15th Hong Kong business day prior to a record date which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Issue Date) in respect of any dividend or distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date following such record date, interest shall (subject as hereinafter provided) accrue on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such record date and on or prior to the Interest Payment Date following such record date in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from, and including, the Issue Date) to, but excluding, such Conversion Date; provided that no such interest shall accrue on any Bond in the event that the Shares issued on conversion thereof shall carry an entitlement to receive such dividend or distribution. Any such interest shall be paid not later than 14 days after the relevant Conversion Date by transfer to a Hong Kong dollar account maintained by the payee in accordance with instructions given by the relevant Bondholder in the Conversion Notice.

(C) Adjustments to Conversion Price

The Conversion Price will be subject to adjustment as follows:

(1) Consolidation, Reclassification or Subdivision:

Adjustment: If and whenever there shall be an alteration to the aggregate number of Shares as a result of consolidation, reclassification or subdivision, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Shares in issue immediately before such alteration; and

B is the aggregate number of Shares in issue immediately after such alteration.

Effective Date of Adjustment: Such adjustment shall become effective on the date the alteration takes effect.

(2) *Capitalisation of Profits or Reserves:*

- (i) *Adjustment:* If and whenever the Guarantor shall issue any Shares credited as fully paid to the holders of Shares (the “**Shareholders**”) by way of capitalisation of profits or reserves (including, Shares paid up out of distributable profits or reserves and/or share premium account) (except any Scrip Dividend) and which would not have constituted an Extraordinary Distribution (as defined in Condition 6(F)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of the issued Shares immediately before such issue; and

B is the aggregate number of the issued Shares immediately after such issue.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue of such Shares, or if a record date is fixed therefor, immediately after such record date.

- (ii) *Adjustment:* In the case of an issue of Shares by way of a Scrip Dividend where the Current Market Price (as defined in Condition 6(F)) on the date of announcement of the terms of the issue of such Shares issued by way of Scrip Dividend multiplied by the number of such Shares issued exceeds the amount of the Relevant Cash Dividend (as defined in Condition 6(F)) or the relevant part thereof and which would not have constituted an Extraordinary Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such issue of Scrip Dividend;

B is the aggregate number of Shares which the Relevant Cash Dividend would purchase at such Current Market Price; and

C is the aggregate number of Shares issued pursuant to such Scrip Dividend.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(3) *Extraordinary Distributions:*

Adjustment: If and whenever the Guarantor shall pay or make any Extraordinary Distribution to Shareholders (except to the extent that the Conversion Price falls to be adjusted under Condition 6(C)(2) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such Extraordinary Distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Share on the date on which the Extraordinary Distribution is publicly announced; and

B is the Fair Market Value on the date of such announcement of the portion of the Extraordinary Distribution in Hong Kong dollars attributable to one Share.

Effective Date of Adjustment: Such adjustment shall become effective on the date that such Extraordinary Distribution is actually made or if a record date is fixed therefor, immediately after such record date.

For the avoidance of doubt, only such portion of the distribution which exceeds the threshold referred to in proviso (a) of the definition of Extraordinary Distribution (the “**excess portion**”) shall be regarded as Extraordinary Distribution and only the excess portion shall be taken into account in determining the Fair Market Value of the portion of the Extraordinary Distribution attributable to one Share.

*To the extent any part of any Extraordinary Distribution (the “**Current Extraordinary Distribution**”) has already resulted in an adjustment pursuant to this Condition 6(C)(3) as a result of an Extraordinary Distribution previously made or paid in respect of the same financial year, such part of the Current Extraordinary Distribution shall not result in a further adjustment pursuant to this Condition 6(C)(3).*

(4) *Rights Issues of Shares or Options over Shares:*

Adjustment: If and whenever the Guarantor shall issue Shares to all or substantially all Shareholders as a class by way of rights, or shall issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase any Shares, in each case at less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such announcement;

B is the number of Shares which the aggregate consideration (if any) receivable for the Shares issued by way of rights issue, or for the options or warrants or other rights issued by way of rights issue and for the total number of Shares comprised therein would purchase at such Current Market Price per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be on the Relevant Stock Exchange.

(5) *Rights Issues of Other Securities:*

Adjustment: If and whenever the Guarantor shall issue securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights issue, or shall issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Share on the date on which such issue or grant is publicly announced; and

B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue of the securities, or issue or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants as the case may be on the Relevant Stock Exchange.

(6) *Issues at Less than Current Market Price:*

Adjustment: If and whenever the Guarantor shall issue (otherwise than as mentioned in Condition 6(C)(5)) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, or purchase of Shares) or issue or grant (otherwise than as mentioned in Condition 6(C)(5)) any options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, in each case at a price per Share at less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

where:

A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the issue or grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares;

B is the number of Shares which the aggregate consideration (if any) receivable for the issue of such additional Shares would purchase at such Current Market Price per Share; and

C is the number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue by the Guarantor of options, warrants or other rights to subscribe for or purchase Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue of such options, warrants or other rights.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

(7) *Other Issues at Less than Current Market Price:*

Adjustment: If and whenever the Guarantor or any of its Subsidiaries (otherwise than as mentioned in Conditions 6(C)(4), 6(C)(5) or 6(C)(6)), or (at the direction or request of or pursuant to any arrangements with the Guarantor or any of its Subsidiaries) any other company, person or entity shall issue any Securities (other than the Bonds, which term shall for this purpose exclude any further bonds issued pursuant to Condition 17) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, Shares to be issued by the Guarantor upon conversion, exchange or subscription at a consideration per Share which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such issue;

B is the number of Shares which the aggregate consideration receivable by the Guarantor for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue of such securities or, as the case may be, the grant of such rights.

(8) *Modification of Rights of Conversion etc.:*

Adjustment: If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any such securities (other than the Bonds) as are mentioned in Condition 6(C)(8) (other than in accordance with the terms (including terms as to adjustment) applicable to such securities upon issue) so that following such modification the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such modification;

B is the number of Shares which the aggregate consideration receivable by the Guarantor for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an Independent Investment Bank considers appropriate (if at all) for any previous adjustment under this Condition 6(C)(9) or Condition 6(C)(8).

Effective Date of Adjustment: Such adjustment shall become effective on the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such securities.

(9) *Other Offers to Shareholders:*

Adjustment: If and whenever the Guarantor or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Guarantor or any of its Subsidiaries) any other company, person or entity shall offer any securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Conditions 6(C)(2), 6(C)(3), 6(C)(4), 6(C)(5), 6(C)(6) or 6(C)(7)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the making of such offer by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Share on the date on which such issue is first publicly announced; and

B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

Effective Date of Adjustment: Such adjustment shall become effective on the date of issue, sale or delivery of the securities.

(10) *Other Events:*

Adjustment: If the Guarantor determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 6(C) (even if the relevant circumstance is specifically excluded from the operation of Conditions 6(C)(1) to 6(C)(9) (both inclusive)), the Issuer shall, at its own expense, request an Independent Investment Bank to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment (if any) should take effect and upon such determination by the Independent Investment Bank, such adjustment (if any) shall be made and shall take effect in accordance with such determination, *provided that* where the circumstances giving rise to any adjustment pursuant to this Condition 6(C) have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6(C) as may be advised by the Independent Investment Bank to be in their opinion appropriate to give the intended result.

(11) *Adjustment upon Change of Control:*

If a Change of Control (as defined in Condition 8(D) (*Redemption for Relevant Events*)) shall occur, the Issuer shall give notice (the “**Change of Control Notice**”) of that fact to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11 (*Notices*) within seven days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within the period of 30 days following the later of (i) the relevant Change of Control and (ii) the date on which the Change of Control Notice is given to Bondholders (such period, the “**Change of Control Conversion Period**”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP / (1 + (CP \times c/t))$$

where:

“**c**” means the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date.

“**CP**” means 15 per cent. expressed as a fraction.

“**NCP**” means the new Conversion Price.

“**OCP**” means the Conversion Price in effect on the relevant Conversion Date.

“t” means the number of days from and including the Issue Date to but excluding the Maturity Date,

provided that the Conversion Price shall not be reduced pursuant to this Condition (*Adjustment upon Change of Control*) below the level prescribed by the SEHK Listing Rules or applicable laws or regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Restricted Transfer Period, the Change of Control Conversion Period shall be extended such that its last day will be the 15th day following the last day of the Restricted Transfer Period.

(D) Undertakings

Each of the Issuer and the Guarantor has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders:

- (i) it will use its reasonable endeavours (a) to maintain a listing for all the issued Shares on the HKSE, and (b) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the HKSE, and (c) if the Guarantor is unable to obtain or maintain such listing after using its reasonable endeavours, to use its reasonable endeavours to obtain and maintain a listing for all the issued Shares on the Alternative Stock Exchange as the Guarantor may from time to time determine (and notify in writing to the Trustee and the Principal Agent) and will forthwith give notice to the Bondholders in accordance with Condition 11 of the listing or delisting of the Shares (as a class) by any of such stock exchange;
- (ii) it will use its reasonable endeavours to obtain and maintain the listing of the Bonds on the HKSE (or such other internationally recognised stock exchange as the Issuer may from time to time determine) and it will as soon as practicable give notice to the Bondholders in accordance with Condition 11 (which notice shall be copied to the Trustee) of the listing or de-listing of the Bonds by any such stock exchange;
- (iii) it will pay the expenses of the issue and delivery of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds (save for any Duties payable by the relevant Bondholder as specified in Condition 6(B)(ii)); and
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or capital redemption reserve fund except, in each case, where the reduction is permitted by applicable law and all or any part of the corporate action(s) comprising the redemption or reduction results in (or would, but for the application of any provisos, carve-outs or conditions set forth or imposed in any of Condition 6, result in) an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made pursuant to Condition 6, provided always that the Guarantor shall not be prohibited from purchasing its Shares to the extent permitted by the SEHK Listing Rules or applicable laws or regulations.

In the Trust Deed, each of the Issuer and the Guarantor has also undertaken with the Trustee that so long as any Bond remains outstanding:

- (a) it shall ensure that all Shares delivered on conversion of the Bonds will be duly and validly issued as fully-paid and free from any other pre-emptive or other similar rights; and

- (b) it will not make any offer, issue, grant or distribute or take any action the effect of which would be to reduce the Conversion Price below a level that is prescribed by the SEHK Listing Rules or applicable laws or regulations from time to time (if any), provided always that the Guarantor shall not be prohibited from purchasing its Shares to the extent permitted by the SEHK Listing Rules or applicable laws or regulations.

The Issuer and the Guarantor have also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

(E) Provisions Relating to Changes in Conversion Price

- (i) *Employee Share Scheme*: Notwithstanding any provision in Condition 6(C), when Shares or other securities (including rights or options) are issued, offered, allotted or granted pursuant to any share option, share award, restricted share or employee incentive scheme or plan of the Guarantor or any Subsidiary of the Guarantor which is in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**SEHK Listing Rules**”) or, if applicable, the listing rules of an Alternative Stock Exchange (“**Share Scheme Shares/Options**”), no adjustment will be made to the Conversion Price, unless any grant or issue of Share Scheme Shares/Options (which, but for this provision, would have required adjustment pursuant to Condition 6(C)) would result in the total number of Shares which may be issued upon exercise of such Share Scheme Shares/Options granted during any 12-month period up to and including the date of such grant representing, in aggregate, over 2.0 per cent. of the average number of issued and outstanding Shares during such 12-month period, in which case only such portion of the grant or issue of Share Scheme Shares/Options that exceeds 2.0 per cent. of the average number of issued and outstanding Shares during the relevant 12-month period shall be taken into account in determining any adjustment of the Conversion Price pursuant to Condition 6(C).
- (ii) *Minor Adjustments*: On any adjustment, the resultant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price if such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount that has been rounded down in accordance with this Condition 6(E)(ii), shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made. Notice of any adjustment shall be given by the Issuer to Bondholders in accordance with Condition 11 and to the Trustee and the Principal Agent in writing promptly after the determination thereof.
- (iii) *Decision of an Independent Investment Bank*: If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Issuer, the Guarantor and an Independent Investment Bank, a written opinion of such Independent Investment Bank in respect thereof shall be conclusive and binding on the Issuer, the Guarantor, the Bondholders, the Agents and the Trustee, save in the case of manifest error. Notwithstanding the foregoing, the per Share value of any such adjustment shall not exceed the per Share value of the dilution in a Shareholder’s interest in the Guarantor’s equity caused by such events or circumstances.

- (iv) *Minimum Conversion Price*: Notwithstanding the provisions of this Condition 6, each of the Issuer and the Guarantor undertakes that the Conversion Price may not be reduced so that, on conversion of Bonds, Shares would be required to be issued in any other circumstances prohibited by the SEHK Listing Rules or applicable laws then in force in Hong Kong or the British Virgin Islands.
- (v) *Multiple Events*: Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an Independent Investment Bank, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Investment Bank to be in its opinion appropriate in order to give such intended result.
- (vi) *Upward/downward Adjustment*: No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation or re-classification of the Shares as referred to in Condition 6(C)(1) above. The Issuer and the Guarantor may at any time and for a specified period of time only, following notice being given to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11, reduce the Conversion Price, subject to Condition 6(E)(iv).
- (vii) *Trustee and Agents Not Obligated to Monitor or Make Calculation*: Neither the Trustee nor any Agent shall be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or to make any calculation or determination (or verification thereof) in connection with the Conversion Price, Cash Settlement Option, Cash Settlement Amount and/or any adjustments to them, and neither the Trustee nor any Agent will be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so or for any calculation or determination made by the Issuer, the Guarantor or any Independent Investment Bank in connection with the Conversion Price, Cash Settlement Option or Cash Settlement Amount or generally as contemplated in this Condition 6 or for any delay by the Issuer, the Guarantor or any Independent Investment Bank in making any calculation or determination or any erroneous calculation or determination in connection with the Conversion Price, Cash Settlement Option or Cash Settlement Amount. Neither the Trustee nor the Agents shall be under any duty to determine, calculate or verify any entitlement of any Bondholder to any amount payable upon or following the exercise of any Conversion Right and none of them will be responsible or liable to the Issuer, the Guarantor, any Bondholder or any other person for any loss arising from any failure to do so.
- (viii) *Notice of Change in Conversion Price*: The Issuer shall give notice to the Bondholders in accordance with Condition 11 (with a copy to the Trustee and the Principal Agent), and, if and for so long as the Bonds are listed on the HKSE and the SEHK Listing Rules so require (or, if the Bonds are listed on any other stock exchange, in accordance with the rules of such other stock exchange), the Issuer shall also give notice to the HKSE (or such other stock exchange), of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

(F) Definitions

For the purposes of these Conditions:

“Alternative Stock Exchange” means at any time, in the case of the Shares, if they are not at that time listed and traded on the HKSE, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in;

“Closing Price” for the Shares for any Trading Day shall be the price published in the daily quotation sheet published by the HKSE or, as the case may be, the equivalent quotation sheet of the Alternative Stock Exchange for such day;

“Current Market Price” means, in respect of a Share on a particular date, the average of the Closing Prices for one Share (being a Share carrying full entitlement to dividend) for the 20 consecutive Trading Days ending on the Trading Day immediately preceding such date; *provided that* if at any time during the said 20 Trading Day-period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:

- (i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the Closing Price on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Share; or
- (ii) if the Shares to be issued in such circumstances rank for the dividend in question, the Closing Price on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by the Fair Market Value of that dividend per Share.

and *provided further that* if the Shares on each of the said 20 Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the Closing Price on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Share and provided further that:

- (x) if such Closing Prices are not available on each of the 20 Trading Days during the relevant period, then the arithmetic average of such Closing Prices which are available in the relevant period shall be used (subject to a minimum of two such Closing Prices); and
- (y) if only one or no such Closing Price is available in the relevant period, then the Current Market Price shall be determined in good faith by an Independent Investment Bank;

“Distribution” means (i) any distribution of assets in specie by the Guarantor for any financial period whenever paid or made and however described (and for these purposes a distribution of assets in specie includes without limitation an issue of Shares or other securities credited as fully or partly paid by way of capitalisation of reserves, but excludes any Shares credited as fully paid to the extent an adjustment to the Conversion Price is made in respect thereof under Condition 6(C)(2)(i) and any Scrip Dividend to the extent an adjustment to the Conversion Price is made in respect thereof under Condition 6(C)(2)(ii)); and (ii) any cash dividend or distribution (including, without limitation, the relevant cash amount of a Scrip Dividend) of any kind by the Guarantor for any financial period (whenever paid and however described) translated into Hong Kong dollars at the Prevailing Rate as at the date such distribution under (i) and/or (ii) of this definition is announced, if necessary;

“Extraordinary Distribution” means (a) the amount by which the Distribution made or paid in respect of any financial year ending 31 December of the Guarantor (commencing the year ending 31 December 2026) (when taken together with any Distribution previously made or paid in respect of the same financial year) exceeds HK\$0.06 on a per Share basis (the **“Threshold”**) (and for the avoidance of doubt, the special dividend of HK\$0.06 per Share made or paid pursuant to the announcement of the Guarantor on 6 January 2026 and in respect of the year ended 31 December 2025, shall be disregarded for the purposes of determining whether such Threshold has been exceeded) or (b) a purchase or redemption of Shares by or on behalf of the Guarantor (or a purchase of Shares by or on behalf of a Subsidiary of the Guarantor) where the weighted average price or consideration per Share (before expenses) on any one day in respect of such purchases or redemptions exceeds the Current Market Price of a Share by more than five (5) per cent. either (i) on that date, or (ii) where an announcement has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement and, if in the case of either (i) or (ii) of this proviso, the relevant day is not a Trading Day, the immediately preceding Trading Day, in which case such purchase or redemption shall be deemed to constitute an Extraordinary Distribution in an amount by which the aggregate consideration paid (before expenses) in respect of such Shares purchased or redeemed exceeds the product of (I) 105 per cent. of such Current Market Price per Share and (II) the number of Shares so purchased or redeemed;

“Fair Market Value” means, with respect to any Security on any date, the fair market value of that Security as determined by an Independent Investment Bank, provided that (i) the fair market value of a cash dividend paid or to be paid per Share shall be the amount of such cash dividend per Share determined as at the date of announcement of such dividend (in which case no determination by an Independent Investment Bank would be required); (ii) the fair market value of any other cash amount shall be equal to such cash amount (in which case no determination by an Independent Investment Bank would be required); and (iii) where Securities are or will be publicly traded in a market of adequate liquidity (as determined by such Independent Investment Bank) the fair market value of such Securities shall equal the arithmetic mean of the daily closing prices of such Securities during the period of five Trading Days on the relevant market commencing on the first such Trading Day as such Securities are publicly traded;

“HKSE” means The Stock Exchange of Hong Kong Limited or any successor thereto;

“Independent Investment Bank” means an independent investment bank of international repute selected and appointed by the Issuer (at the cost of the Issuer), and notified in writing to the Trustee and the Principal Agent in writing. The Trustee and Agents shall not be responsible or liable for or under any obligation to appoint an Independent Investment Bank and shall have no responsibility or liability for verifying any calculation, determination, certification, advice or opinion made, given or reached by it;

“Prevailing Rate” means, in respect of any currency on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12:00 noon (Hong Kong time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined;

“Relevant Cash Dividend” means the aggregate cash dividend or distribution declared by the Guarantor;

“**Relevant Page**” means the relevant Bloomberg BFIX page (or its successor page) or, if there is no such page, on the relevant Reuters page or such other information service provider that displays the relevant information;

“**Relevant Stock Exchange**” means at any time, in respect of the Shares, the HKSE or the Alternative Stock Exchange;

“**Scrip Dividend**” means any Shares issued in lieu of the whole or any part of any Relevant Cash Dividend being a dividend which the Shareholders concerned would or could otherwise have received (and for the avoidance of doubt, no adjustment is to be made under Condition 6(C)(3) in respect of the amount by which the Current Market Price of the Shares exceeds the Relevant Cash Dividend or the relevant part thereof but without prejudice to any adjustment required in such circumstances to be made under Condition 6(C)(2));

“**Securities**” or “**Security**” means any securities including, without limitation, shares, options, warrants or other rights to subscribe for or purchase or acquire securities; and

“**Trading Day**” means a day on which the Relevant Stock Exchange (or in respect of any other security, relevant securities market) is open for business and on which Shares or other securities may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular weekday closing time) provided that for the purposes of any calculation where a Closing Price is required, if no Closing Price is reported for one or more consecutive dealing days, such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days.

References to any issue or offer or grant to Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders, other than Shareholders by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

7 Payments

(A) Method of Payment

Payment of principal, premium (if any) and the interest (if any), and any other amounts due other than on an Interest Payment Date will be made by transfer to the registered account of the Bondholder or, but only in the case of any amount payable by the Issuer pursuant to Condition 6, by Hong Kong dollar cheque mailed to the registered address of the Bondholder if it does not have a registered account. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents.

Interest on Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the 15th Payment Business Day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder.

If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

So long as the Global Certificate is held on behalf of Euroclear and/or Clearstream and/or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant

*clearing system on the Clearing System Business Day before the due date for such payments, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(B) Registered Accounts

For the purposes of this Condition 7, a Bondholder’s “**registered account**” means the Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the relevant Interest Record Date, and a Bondholder’s registered address means its address appearing on the Register at that time.

(C) Fiscal Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(D) Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Payment Business Day), for value on the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if it is not a Payment Business Day, the immediately following Payment Business Day) or, in the case of a payment of principal, if later, on the Payment Business Day on which the relevant Certificate is surrendered at the specified office of an Agent.

(E) Delay in Payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day or if the Bondholder is late in surrendering its Certificate (if required to do so).

(F) Business Day

In this Condition 7, “**Payment Business Day**” means a day other than a Saturday, Sunday or public holiday on which commercial banks are open for business in Hong Kong and the city in which the specified office of the Principal Agent is located and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

(G) Agents

The initial Agents and their initial specified offices are listed below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and appoint additional or replacement Agents provided that it will maintain (i) a Principal Agent, (ii) a Transfer Agent, (iii) a Conversion Agent (which may be the Principal Agent) and (iv) a Registrar (which will keep the register outside Hong Kong and the United Kingdom). Notice of any changes in any Agent or their specified offices will be given by the Issuer to the Bondholders in accordance with Condition 11. Notwithstanding the deposit of any Bond with any Agent, such Agent acts solely as an agent of the Issuer and, in the circumstances specified in the Agency Agreement, the Trustee, in accordance with the

Agency Agreement and will not assume any obligation or responsibility towards, or relationship of agency or trust for or with, any of the owners or holders of the Bond or any other third party.

8 Redemption, Purchase and Cancellation

(A) Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem each Bond at its principal amount together with accrued and unpaid interest thereon on 28 January 2031 (the “**Maturity Date**”). The Issuer may not redeem the Bonds at its option prior to that date except as provided in Conditions 8(B) or 8(C) (but without prejudice to Condition 10).

(B) Redemption at the Option of the Issuer

The Issuer may, having given not less than 30 nor more than 60 days’ notice to the Principal Agent and the Trustee in writing and to the Bondholders in accordance with Condition 11 (which notice will be irrevocable), redeem in whole, but not in part, the Bonds for the time being outstanding at their principal amount, together with the interest accrued and unpaid up to but excluding the date fixed for redemption:

- (i) at any time after 11 February 2029 but prior to the Maturity Date, provided that no such redemption may be made unless the Closing Price of a Share for any 20 Trading Days within a period of 30 consecutive Trading Days, the last of such Trading Day shall occur not more than 10 days prior to the date upon which notice of such redemption is given, was, for each such 20 Trading Days, at least 130 per cent. of the Conversion Price then in effect. If there shall occur an event giving rise to a change in the Conversion Price during any such 30 consecutive Trading Day period, appropriate adjustments for the relevant days approved by an Independent Investment Bank shall be made for the purpose of calculating the Closing Price of the Shares for such days;
- (ii) at any time, provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds originally issued (which shall for this purpose include any further Bonds issued pursuant to Condition 17) has already been converted, redeemed or purchased and cancelled.

(C) Redemption for Taxation Reasons

- (i) The Issuer may redeem in whole, but not in part, the Bonds at its option, at any time, on giving not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11 (which notice shall be irrevocable), on the date specified in the Tax Redemption Notice for redemption (the “**Tax Redemption Date**”) at their principal amount, together with the interest accrued and unpaid up to but excluding such date (if any), if the Issuer satisfies the Trustee immediately prior to the giving of the Tax Redemption Notice that (a) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 January 2026, and (b) such obligation cannot be avoided by the Issuer (or, as the case may be, the Guarantor) taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer (or, as the case may be, the Guarantor) would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due.

Prior to the publication of any Tax Redemption Notice pursuant to this Condition 8(C), the Issuer (or, as the case may be, the Guarantor) shall deliver to the Trustee (1) a certificate in English signed by an Authorised Signatory of the Issuer (or, as the case may be, the Guarantor) stating that the obligation referred to in (a) above cannot be avoided by the Issuer (or, as the case may be, the Guarantor) taking reasonable measures available to it and (2) an opinion of independent legal or tax advisers of recognised standing issued to the effect that the Issuer (or, as the case may be, the Guarantor) has, or would become obligated to pay such Additional Tax Amounts as a result of such change or amendment referred to above in this Condition 8(C). The Trustee shall be entitled (without further investigation or query and without liability to Bondholders or any other person) to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (a) and (b) above of this Condition 8(C), in which event the same shall be conclusive and binding on the Bondholders.

On the Tax Redemption Date, the Issuer (subject to Condition 8(C)(ii)) shall redeem the Bonds at their principal amount together with the interest accrued and unpaid up to but excluding the Tax Redemption Date (if any).

- (ii) If the Issuer gives a Tax Redemption Notice pursuant to Condition 8(C)(i), each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of principal, premium (if any) or interest (if any) to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable by the Issuer in respect thereof pursuant to Condition 9 and payment of all amounts by the Issuer to such holder in respect of such Bond(s) shall be made subject to the deduction or withholding of any tax required to be deducted or withheld. To exercise a right pursuant to this Condition 8(C), the holder of the relevant Bond must complete, sign and deposit during usual business hours (being between 9:00 a.m. and 3:00 p.m. (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of exercise, in the form scheduled to the Agency Agreement, obtainable from the specified office of any Paying Agent together with the Certificate evidencing the relevant Bond(s) on or before the day falling 10 days prior to the Tax Redemption Date. Such notice of exercise from the Bondholder, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's written consent.

(D) Redemption for Relevant Events

Following the occurrence of a Relevant Event, the holder of each Bond will have the right, at such holder's option, to require the Issuer to redeem in whole or in part, such holder's Bonds on the Relevant Event Put Date at their principal amount, together with the interest accrued and unpaid up to but excluding such date (if any) (the "**Relevant Event Put Right**"). To exercise such right, the holder of the relevant Bond must deposit during usual business hours (being between 9:00 a.m. and 3:00 p.m. (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form scheduled to the Agency Agreement, obtainable from the specified office of any Paying Agent (a "**Relevant Event Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed by not later than (i) 30 days following the occurrence of a Relevant Event, or, if later, (ii) 60 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 11. The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent. The Issuer shall redeem the Bonds the subject of the Relevant Event Put Exercise Notice (subject to delivery of the relevant Certificate as aforesaid) on the Relevant Event Put Date.

Within 14 days after it becomes aware of the occurrence of a Relevant Event, the Issuer shall give notice thereof to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11. Such notice regarding the Relevant Event shall contain a statement informing Bondholders of their entitlement to exercise their Conversion Rights as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Bonds pursuant to this Condition 8(D). Such notice shall also specify: (a) the date and brief details of such Relevant Event; (b) the Relevant Event Put Date; (c) the last date by which a Relevant Event Put Exercise Notice must be given; (d) the procedures that Bondholders must follow and the requirements that Bondholders must satisfy in order to exercise the Relevant Event Put Right or Conversion Right; and (e) the information required by Condition 8(H).

Neither the Agents nor the Trustee shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur, and none of them shall be liable to the Bondholders or any other person for not doing so.

For the purposes of this Condition 8(D):

a **"Change of Control"** occurs when:

- (i) the Guarantor ceases to directly or indirectly hold or own 100 per cent. of the issued share capital of the Issuer; or
- (ii) SASAC and/or its successors together with any other person(s) directly or indirectly Controlled by SASAC or the central government of the PRC cease to directly or indirectly hold or own at least 51 per cent. of the issued share capital of the Guarantor; or
- (iii) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of its assets to any person or persons, acting together, other than any of its Subsidiaries; except as required by SASAC or its successor or entities controlled (directly or indirectly by SASAC) or any person directly or indirectly controlled by the central government of the PRC.

"Control" means (i) the ownership or control of at least 51 per cent. of the voting rights of the issued share capital of the relevant person or (ii) the right to appoint and/or remove all or the majority of the members of the relevant person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; the term **"Controlled"** has meanings correlative to the foregoing;

a **"Delisting"** occurs when the Shares cease to be listed or admitted to trading on the HKSE or the Alternative Stock Exchange (as the case may be);

a **"Public Float Event"** occurs on the first date on which less than 25 per cent. of the Guarantor's total number of issued shares are held by the public for at least 20 consecutive Trading Days, provided that if following the occurrence of any Public Float Event, at least 25 per cent. of the Guarantor's total number of issued shares are held by the public on any day following the date of occurrence of such Public Float Event (the **"Reference Date"** in

respect of such Public Float Event), a further Public Float Event may subsequently occur on the first date (falling after the Reference Date in respect of such Public Float Event) on which less than 25 per cent. of the Guarantor's total number of issued shares are held by the public for at least 20 consecutive Trading Days total number of issued shares are held by the public for at least 20 consecutive Trading Days;

“**Relevant Event**” occurs (i) when the Shares cease to be listed or admitted to trading or are suspended on the HKSE for a period equal to or exceeding 30 consecutive Trading Days; (ii) a Delisting; or (iii) when there is a Change of Control or (iv) when a Public Float Event occurs; and

“**SASAC**” means the State-owned Assets Supervision and Administration Commission of the PRC or its successor.

(E) *Redemption at the option of the Bondholders*

On 28 January 2029 (the “**Optional Put Date**”), the holder of each Bond will have the right at such holder's option, to require the Issuer to redeem in whole or in part, the Bonds of such holder on the Optional Put Date at their principal amount, together with the interest accrued and unpaid up to but excluding such Optional Put Date. To exercise such right, the holder of the relevant Bond must complete, sign and deposit during usual business hours (being between 9:00 a.m. and 3:00 p.m. (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form scheduled to the Agency Agreement, obtainable from the specified office of any Paying Agent (a “**Optional Put Exercise Notice**”) together with the Certificate evidencing the Bonds to be redeemed not earlier than 60 days and not later than 30 days prior to the Optional Put Date.

An Optional Put Exercise Notice, once delivered, shall be irrevocable (and may not be withdrawn unless the Issuer consents to such withdrawal) and the Issuer shall redeem the Bonds the subject of Optional Put Exercise Notices delivered as aforesaid on the Optional Put Date.

(F) *Purchase*

The Issuer, the Guarantor or any of their respective Subsidiaries may, at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Bonds so purchased, while held by or on behalf of the Issuer, the Guarantor or any such Subsidiary, shall not entitle the holder to vote at any meetings of the holders of the Bonds and shall be deemed not to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the holders or for the purposes of Condition 10, Condition 14(A) and Condition 15.

(G) *Cancellation*

All Bonds which are redeemed, converted or purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Bonds shall be discharged.

(H) *Redemption Notices*

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition 8 will be irrevocable and will be given in accordance with Condition 11 specifying: (i) the Conversion Price as at the date of the relevant notice; (ii) the last day on which Conversion Rights may be exercised; (iii) the Closing Price of the Shares on the latest practicable date

prior to the publication of the notice; (iv) the date for redemption; (v) the manner in which redemption will be effected; (vi) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice, together with the interest accrued and unpaid up to but excluding such redemption date.

If more than one notice of redemption is given (being a notice given by either the Issuer or a Bondholder pursuant to this Condition 8), the first in time shall prevail.

Neither the Trustee nor the Agents shall be responsible for calculating or verifying the calculations of any amounts payable on redemption of the Bonds or pursuant to these Conditions, or have any duty to verify the accuracy, content, completeness, validity and/or genuineness of any certificates, confirmation or documents in relation to or in connection to any such redemption or the exercise of any right of redemption or to require redemption, and none of them shall be liable to the Bondholders or any other person for not doing so.

9 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Bonds or under the Guarantee shall be made without set-off or counterclaim and free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any Relevant Jurisdiction, unless such set-off, counterclaim, withholding or deduction is required by law.

If the Issuer or, as the case may be, the Guarantor is required to make any set-off or counterclaim, or any deduction or withholding by or within any Relevant Jurisdiction, the Issuer or, as the case may be, the Guarantor in such event shall pay such additional amounts (“**Additional Tax Amounts**”) so that the net amount received by the Bondholders equals the amount which would otherwise have been receivable by them had no such set-off or counterclaim, or withholding or deduction been required, except that no such Additional Tax Amounts shall be payable in respect of the Bonds:

- (i) to, or to a third party on behalf of, a Bondholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with such Relevant Jurisdiction other than the mere holding of the Bond; or
- (ii) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the Bonds are presented for payment; or
- (iii) presented (or in respect of which the Certificate representing it is presented) for payment (where presentation is required) more than 30 days after the Relevant Date except to the extent that the Bondholder would have been entitled to such Additional Tax Amounts on presenting it for payment on the thirtieth day.

In these Conditions, “**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Bondholders.

“**Relevant Jurisdiction**” means the British Virgin Islands, Hong Kong or the PRC or any other jurisdiction to which the Issuer or the Guarantor becomes subject in respect of payments made by it of principal and premium on the Bonds, and in each case any political subdivision or any authority therein or thereof having power to tax.

For the avoidance of doubt, neither the Trustee nor any Agent shall be responsible or liable for paying any tax, duty, charge, assessment, governmental charge, withholding or other payment referred to in this Condition 9 or for determining whether such amounts are payable or the amount thereof, and none of the Trustee or any of the Agents shall be responsible or liable for (A) determining whether the Issuer, the Guarantor or any Bondholder is liable to pay any tax, duty, charge, assessment, governmental charge, withholding or any other payment referred to in this Condition 9; or (B) determining the sufficiency or insufficiency of any amounts so paid. None of the Trustee or the Agents shall be responsible or liable for any failure of the Issuer, the Guarantor, any Bondholder, or any other third party to pay such tax, duty, charge, assessment, governmental charge, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, charge, assessment, governmental charge, withholding or other payment imposed by or in any jurisdiction.

10 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject in any such case to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction), give notice in writing to the Issuer that the Bonds are, and they shall immediately become, due and repayable at their principal amount, together with the interest accrued and unpaid up to but excluding the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6) if any of the following events (each an “**Event of Default**”) occurs:

- (A) *Non-payment*: there has been a failure to pay (i) the principal or premium (if any) of the Bonds when such amount is due or (ii) any interest on any of the Bonds when due and such failure continues for a period of 15 calendar days; or
- (B) *Breach of other obligations*: the Issuer or the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Bonds or the Trust Deed (other than a non-payment event described under Condition 10(A) or where such default gives rise to a right of redemption pursuant to Condition 8(D)) and such default (i) is in the opinion of the Trustee incapable of remedy or, (ii) being a default which is in the opinion of the Trustee capable of remedy, remains unremedied for 30 calendar days after the Trustee has given written notice thereof to the Issuer or the Guarantor, as the case may be; or
- (C) *Cross-Default*: (i) any other present or future indebtedness of the Issuer, the Guarantor or any of their respective Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer, the Guarantor or any of their respective Subsidiaries fails to pay when due (as extended by any originally applicable grace periods) any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(C) have occurred in aggregate equals or exceeds

U.S.\$50,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 10(C) operates); or

- (D) *Enforcement Proceedings*: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer, the Guarantor or any Material Subsidiary and is not discharged or stayed within 30 days; or
- (E) *Security Enforced*: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, the Guarantor or any Material Subsidiary on the whole or any material part of its assets becomes enforceable, and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged or stayed within 30 days; or
- (F) *Insolvency*: the Issuer, the Guarantor or any Material Subsidiary (i) is (or is, or could be, deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts when due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts when they fall due, or (ii) proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any material part of the debts of the Issuer, the Guarantor or any Material Subsidiary; or
- (G) *Winding-up*: an administrator is appointed, an order is made by a court of competent jurisdiction or an effective resolution passed for the winding-up or dissolution of the Issuer, the Guarantor or any Material Subsidiary (except for the voluntary solvent winding-up of any such Material Subsidiary), or the Issuer, the Guarantor or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustee acting on an Extraordinary Resolution of the Bondholders, or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer, the Guarantor or another of their respective Subsidiaries; or
- (H) *Nationalisation*: any step is taken by any person with a view to the seizure, compulsory acquisition or expropriation of all or a substantial part of the assets of the Issuer, the Guarantor or any Material Subsidiary, provided that the value of the assets subject to the seizure, compulsory acquisition or expropriation, individually or in the aggregate, exceeds 50 per cent. of the total assets of the Group; or
- (I) *Authorisation and Consents*: any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or
- (J) *Illegality*: it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of their respective obligations under any of the Bonds or the Trust Deed; or

- (K) *Unenforceability of Guarantee*: the Guarantee becomes unenforceable or invalid or ceases to be in full force and effect or is claimed to be unenforceable, invalid or not in full force and effect by the Guarantor; or
- (L) *Failure to deliver Shares or pay the Cash Settlement Amount*: any failure by the Guarantor to deliver any Shares or pay the Cash Settlement Amount as and when the Shares are required to be delivered or the Cash Settlement Amount required to be paid following conversion of Bonds and such failure remains unremedied for seven Stock Exchange Business Days, or
- (M) *Analogous event*: any event occurs which under the laws of the British Virgin Islands or Hong Kong has an analogous effect to any of the events referred to in Conditions 10(D), 10(E), 10(F) or 10(G).

In these Conditions:

“**Group**” means the Issuer, the Guarantor and their Subsidiaries taken as a whole;

“**Material Subsidiary**” means any Subsidiary of the Guarantor:

- (a) whose total revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total revenue, as shown by its latest audited income statement is at least 5 per cent. of the consolidated total revenue as shown by the latest published audited consolidated income statement of the Guarantor including, for the avoidance of doubt, the Guarantor and its consolidated Subsidiaries’ share of total operating revenue of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (b) whose net profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profit, as shown by its latest audited income statement is at least 5 per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of the Guarantor including, for the avoidance of doubt, the Guarantor and its consolidated Subsidiaries’ share of net profit of subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (c) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited statement of financial position are at least 5 per cent. of the consolidated total assets of the Guarantor as shown by the latest published audited consolidated statement of financial position of the Guarantor including, for the avoidance of doubt, the investment of the Guarantor in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Guarantor and after adjustment for minority interests; or
- (d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that (A) the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary and the Subsidiary to which the assets are so transferred shall forthwith become a Material Subsidiary and (B) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Guarantor prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition, provided that, in relation to paragraphs (a), (b) and (c) above of this definition:
 - (i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Guarantor relate, the reference to the then latest consolidated audited accounts of the

Guarantor and its Subsidiaries for the purposes of the calculation above shall, until consolidated audited accounts of the Guarantor for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated audited accounts of the Guarantor adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

- (ii) if at any relevant time in relation to the Guarantor or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total revenue, net profit or total assets of the Guarantor and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by or on behalf of the Guarantor;
- (iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total revenue, net profit or total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by or on behalf of the Guarantor; and
- (iv) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Guarantor, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Guarantor prepared for this purpose by or on behalf of the Guarantor.

A certificate in English substantially in the form scheduled to the Trust Deed signed by any Authorised Signatory of the Guarantor, which may be (but is not required to be) accompanied with relevant audited accounts (consolidated, if appropriate) or, as the case may be, the pro forma accounts (consolidated, if appropriate), that in his/her opinion (making such adjustments (if any) as he/she shall deem appropriate) a Subsidiary is or is not or was or was not at any particular time or during any particular period a Material Subsidiary shall be conclusive and binding on the Issuer, the Guarantor, and the Bondholders. The Trustee shall be entitled to, rely conclusively upon any such certificate without further investigation or query and without liability to the Bondholders, the Issuer, the Guarantor or any other person.

11 Notices

All notices to Bondholders shall be validly given if mailed to them at their respective addresses in the Register. Any such notice shall be deemed to have been given on the seventh day after being so mailed, as the case may be.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions, and such notice shall be deemed to be received by the Bondholders on the date of delivery of such notice to Euroclear or Clearstream or the Alternative Clearing System.

12 Prescription

Claims in respect of amounts due in respect of the Bonds shall be prescribed and become void unless made within five years (in the case of interest) and 10 years (in the case of principal or other sums payable hereunder) from the appropriate Relevant Date.

13 Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or any Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the fees, costs and expenses incurred in connection with such replacement and on such terms as to evidence and indemnity and/or security and/or pre-funding as the Issuer and the Registrar or such Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

14 Meetings of Bondholders, Modification, Waiver and Substitution

(A) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests in relation to the Bonds, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed and the Agency Agreement. Such a meeting may be convened by the Issuer, the Guarantor or the Trustee and shall be convened by the Trustee if requested in writing to do so by Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the aggregate principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Bonds, any date for payment of interest or interest amount on the Bonds, (ii) to reduce or cancel the amount of principal, interest or any other amount payable on any date in respect of the Bonds, (iii) reduce the rate of interest in respect of the Bonds or to vary the method or basis of calculating the rate or amount of interest or basis for calculating any interest amount in respect of the Bonds, (iv) to vary the currency or currencies of payment or denomination of the Bonds, (v) to modify or cancel the Guarantee (other than as provided in Condition 14(B)), (vi) to modify (except by a unilateral and unconditional reduction in the Conversion Price) or cancel the Conversion Rights, or (vii) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on the Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution (A) in writing signed by or on behalf of the holders of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding, or (B) passed by Electronic Consent (as defined in the Trust Deed) shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. 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 Bondholders. A resolution in writing and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such resolution in writing and/or Electronic Consent, as the case may be.

(B) Modification and Waiver

The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of any of the provisions of the Trust Deed, the Agency Agreement, the Bonds or these Conditions (together the “**Documentation**”) which in the Trustee’s

opinion is of a formal, minor or technical nature, or is made to correct a manifest error, or to comply with mandatory provisions of law, and (ii) any other modification to the Documentation (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Documentation which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may (but shall not be obliged to), without the consent of the Bondholders, determine any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee agrees otherwise, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders as soon as practicable in accordance with Condition 11.

(C) *Entitlement of the Trustee*

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 14) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require on behalf of any Bondholder, nor shall any Bondholder be entitled to claim from the Issuer, the Guarantor or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders.

15 Enforcement

At any time after the Bonds become due and payable, the Trustee may, at its discretion and without further notice to the Issuer or the Guarantor, take such steps and/or actions and/or institute such proceedings against the Issuer or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Agency Agreement and the Bonds, but it need not take any such steps and/or actions and/or proceedings unless (A) it shall have been so directed by an Extraordinary Resolution or shall have been so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding and (B) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing.

16 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including from taking proceedings or other action unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related (directly or indirectly) to the Issuer and the Guarantor without accounting for any profit.

The Trustee may rely without liability to Bondholders, the Issuer, the Guarantor or any other person on any report, confirmation, certificate from or any opinion or any advice of any accountants, lawyers, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. Any such report, confirmation, certificate, opinion or advice, on which the Trustee relies shall be binding on the Issuer, the Guarantor and the Bondholders.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, the Guarantor and any other person appointed by the Issuer or Guarantor in relation to the Bonds of the duties and obligations on its part expressed in respect of the same and, unless it has express

written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. The Trustee shall not be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement, the Guarantee or these Conditions or whether a Relevant Event, an Event of Default or a Potential Event of Default has occurred, and shall not be liable to the Bondholders or any other person for not doing so. Unless the Trustee has received written notice from the Issuer or the Guarantor to the contrary, the Trustee may assume that no such Relevant Event, Event of Default or Potential Event of Default has occurred.

None of the Trustee or any Agent shall be liable to any Bondholder or any other person for any action taken by the Trustee or such Agent in accordance with the instructions, direction or request of the Bondholders. The Trustee shall be entitled to rely on any instruction, direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed or by way of written resolution or Electronic Consent or as otherwise provided for in the Trust Deed and these Conditions.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions or clarification of any directions from the Bondholders by way of an Extraordinary Resolution, and the Trustee shall not be responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or clarification of any direction or in the event that no such directions or clarifications are received.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Guarantor and the Trustee shall not at any time have any responsibility for the same and each Bondholder shall not rely on the Trustee in respect thereof.

17 Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, the date for the first payment of interest on them and the timing for submission of the NDRC Post-Issue Filing, the Initial CSRC Post-Issuance Filing and the timing for making the related notifications to the Trustee and the Bondholders) and so that such further issue shall be consolidated and form a single series with the Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any such further bonds issued pursuant to this Condition 17 and consolidated and forming a single series with the Bonds. Any further bonds consolidated and forming a single series with the Bonds constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy which exists or is available apart from such Act and is without prejudice to the rights of the Bondholders as set out in Condition 15.

19 Governing Law and Submission to Jurisdiction

(A) *Governing Law*

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

(B) *Jurisdiction*

The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Agency Agreement and the Trust Deed and accordingly any legal action or proceedings arising out of or in connection with the Bonds, the Agency Agreement or the Trust Deed (“**Proceedings**”) shall be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the exclusive jurisdiction of such courts and irrevocably waives any objection to any Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(C) *Agent for Service of Process*

The Issuer has irrevocably appointed the Guarantor at Room 1802-3, 18/F Worldwide House, 19 Des Voeux Road Central, Central, Hong Kong to receive service of process in any Proceedings in Hong Kong. If for any reason the Guarantor shall cease to have an office in Hong Kong, the Issuer and the Guarantor shall forthwith appoint an agent for service of process in Hong Kong and deliver to the Trustee and the Agents a copy of the agent’s acceptance of that appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(D) *Independence and Waiver of Immunity*

Each of the Issuer and the Guarantor has waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and irrevocably consented 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.

DESCRIPTION OF THE GLOBAL CERTIFICATE

The Global Certificate contains provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Conditions set out in this Offering Circular. Terms defined in the Conditions have the same meaning in the paragraphs below. The following is a summary of those provisions:

Payment

The Issuer, for value received, promises to pay to the registered holder (subject to surrender of the Global Certificate if no further payment falls to be made in respect of such Bonds) on such date or dates as the same may become repayable in accordance with the Conditions, the amount payable upon redemption under the Conditions in respect of the Bonds represented by the Global Certificate and (unless the Bonds represented by the Global Certificate do not bear interest) to pay interest in respect of such Bonds in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by the Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions. So long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment will be made to, or to the order of, the person whose name is entered on the Register (as defined in the Conditions) at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the due date for such payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

Exchange of Bonds Represented by Global Certificate

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system selected by the Issuer and approved in writing by the Trustee, the Principal Agent (as defined in the Conditions) and the Registrar (an “**Alternative Clearing System**”) through which the Bonds are cleared is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

In such circumstances, the Issuer at its own expense will cause sufficient individual definitive Certificates, printed in accordance with any applicable legal and stock exchange requirements and in, or substantially in, the form set out in the Trust Deed, to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates. The Conditions are modified as follows in so far as they apply to the Bonds in respect of which the Global Certificate is issued.

Meetings

For the purposes of any meeting of Bondholders, the holder of the Bonds represented by the Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each HK\$2,000,000 in principal amount of the Bonds.

Notices

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and Clearstream or any Alternative Clearing System, notices to be given to Bondholders may be given by their being delivered to Euroclear and Clearstream or, as the case may be,

any Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds rather than by publication as required by the Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream or, as the case may be, any Alternative Clearing System.

Issuer's Redemption

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Bondholders and to Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System) (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Certificates drawn in the case of a partial exercise of an option and accordingly no drawing of Certificates shall be required. In the case of a partial exercise of an option, the rights of accountholders with a clearing system in respect of the Bonds will be governed by the rules and procedures of Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System). Following the exercise of any such option, the Issuer shall procure that the principal amount of the Bonds recorded in the records of Euroclear or Clearstream (or, as the case may be, any Alternative Clearing System) and represented by the Global Certificate shall be reduced accordingly.

Bondholder's Redemption

The Bondholder's redemption options in Condition 8(D) and Condition 8(E), as the case may be, may be exercised by the holder of the Global Certificate giving notice to the Principal Agent (as defined in the Conditions) of the principal amount of Bonds in respect of which the relevant option is exercised and presenting the Global Certificate for endorsement or exercise within the time limits specified in the Conditions.

Notice of exercise received within the time limits specified in the Conditions by the Principal Agent from or on behalf of a holder of a book-entry interest in the relevant Bonds will be accepted by the Issuer as having been given by the holder as to the principal amount of Bonds in respect of which it is given (but without double counting), and whether or not the Global Certificate is presented for endorsement therewith. Following the exercise of any such option, the Issuer shall procure that the principal amount of the Bonds recorded in the records of Euroclear or Clearstream (or, as the case may be, any Alternative Clearing System) and represented by the Global Certificate shall be reduced accordingly.

Conversion

Subject to the requirements of Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System), the Conversion Rights attaching to the Bonds in respect of which the Global Certificate is issued may be exercised by the presentation thereof to or to the order of the Principal Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of the Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall not be required. The exercise of the Conversion Right shall be notified by the Principal Agent to the Registrar and the holder of the Global Certificate.

Transfers

Transfers of beneficial interests in the Bonds represented by the Global Certificate will be effected through the records of Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or, as the case may be, any Alternative Clearing System) and their respective direct and indirect participants.

Cancellation

On cancellation of any Bond represented by the Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer acknowledges that details of such cancellation shall be entered in the records of the relevant Clearing Systems in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System, as the case may be) and, upon any such entry being made, the principal amount of the Bonds recorded in the records of the relevant Clearing Systems and represented by the Global Certificate shall be reduced by the aggregate principal amount of the Bonds so cancelled.

Trustee's Powers

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system or clearing systems, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system(s) or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Bonds; and (b) consider such interests on the basis that such accountholders were the holders of the Bonds in respect of which the Global Certificate is issued.

The Global Certificate shall not be valid for any purpose until authenticated by or on behalf of the Registrar.

TAXATION

The following summary of certain British Virgin Islands, Hong Kong and PRC tax consequences of the purchase, ownership and disposition of Bonds is based upon applicable laws, regulations, rulings and decisions in effect as of the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Bonds should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of Bonds.

British Virgin Islands

The Issuer is exempt from all provisions of the Income Tax Ordinance of the British Virgin Islands.

Payments of principal, premium or interest in respect of the Bonds to persons who are not resident in the British Virgin Islands are not subject to British Virgin Islands tax or withholding tax.

Capital gains realised with respect to the Bonds by persons who are not persons resident in the British Virgin Islands are also exempt from all provisions of the Income Tax Ordinance of the British Virgin Islands.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not resident in the British Virgin Islands with respect to the Bonds.

All instruments relating to transactions in respect of the Bonds are exempt from payment of stamp duty in the British Virgin Islands. This assumes that the Issuer does not hold an interest in real estate in the British Virgin Islands.

Hong Kong

Withholding tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Profits tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;
- (iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the “IRO”)) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

- (iv) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In addition, with effect from 1 January 2024, pursuant to various foreign-sourced income exemption legislation in Hong Kong (the “**FSIE Amendments**”), certain specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined in the FSIE Amendments) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The FSIE Amendments also provide for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Bond.

The PRC

Taxation on Interest and dividend

Pursuant to the EIT Law and its implementation regulations, enterprises that are established under laws of foreign countries and regions whose “de facto management bodies” are within the territory of the PRC are treated as PRC tax resident enterprises for the purpose of the EIT Law and must pay enterprise income tax at the rate of 25% in respect of their income sourced from both within and outside China. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the “de facto management bodies” of the Issuer or the Guarantor are within the territory of the PRC, the Issuer or the Guarantor (as applicable) may be treated as a PRC tax resident enterprise for the purpose of the EIT Law and be subject to enterprise income tax at the rate of 25% on its income from sources both within and outside PRC.

The EIT Law, its implementation regulations impose withholding tax at the rate of 10%, or a lower rate if tax treaty benefits are available, on PRC-source income paid to a “non-resident enterprise” that does not have an establishment or place of business in China or that has an establishment or place of business in China but the relevant income is not effectively connected therewith. Pursuant to these provisions of the EIT Law, in the event the Issuer or the Guarantor is considered a PRC resident enterprise by the PRC tax authorities in the future, interest payable to non-resident enterprise holders of the Bonds and, in the event the Issuer or the Guarantor is considered a PRC resident by the PRC tax authorities, dividends

payable to non-resident enterprise holders of Shares may be treated as income derived from sources within China and be subject to such PRC withholding tax. Further, in accordance with the Individual Income Tax Law of the PRC which was amended on August 31, 2018 and its implementation regulations which was amended on December 18, 2018, if the Issuer or the Guarantor is considered a PRC tax resident enterprise, interest payable to non-resident individual holders of the Bonds and dividends payable to non-resident individual holders of Shares may be treated as income derived from sources within China and be subject to a 20% individual income tax; accordingly, if the Issuer or the Guarantor is treated as a PRC tax resident enterprise, the Issuer or the Guarantor would be obliged to withhold such individual income tax on payments of interests to non-resident individual holders of the Bonds and payment of dividends to non-resident individual holders of Shares. To the extent that China has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to qualified holders of the Bonds or Shares. It is also unclear whether non-resident holder would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that the Issuer or the Guarantor is treated as a PRC resident enterprise.

As of the date of this Offering Circular, neither the Issuer nor the Guarantor has been given notice or informed by the PRC tax authorities that they are considered as a PRC tax resident enterprise for the purpose of the EIT Law. On that basis, non-resident holders of the Bonds or Shares will not be subject to income tax imposed by any governmental authority in the PRC in respect of the holding of the Bonds or Shares or any repayment of principal and payment of interest or dividends made thereon. However, there is no assurance that neither the Issuer nor the Guarantor will be treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future.

Taxation on Capital Gains

The EIT Law and its implementation regulations impose a tax at the rate of 10%, or a lower rate if tax treaty benefits are available, on income derived from sources within the PRC realised by a “non-resident enterprise” that does not have an establishment or place of business in China or that has an establishment or place of business in China but the relevant gain is not effectively connected therewith. The Individual Income Tax Law and its implementation regulations impose a tax at the rate of 20% on income derived from sources within the PRC realised by non-resident individuals. If the Issuer or the Guarantor is considered a PRC resident enterprise by the PRC tax authorities in the future, and if the capital gains realised by holders of the Bonds or Shares are treated as income derived from sources within China, such gains will be subject to PRC tax. To the extent that China has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of tax, such lower rate may apply to qualified non-resident holders of the Bonds, if the Issuer, the Guarantor and the investors qualify for benefits under the applicable tax treaty.

VAT

On March 23, 2016, the MOF and the SAT issued the Notice on Adjustment of Transfer Business Tax to Appreciation Tax (關於全面推開營業稅改繳增值稅試點的通知)(the “**Circular 36**”) which stipulates that the business tax will be completely replaced with VAT from May 1, 2016 onwards. Therefore, income derived from the provision of financial services, which previously incurred business tax, will now be subject to VAT. On 1 January 2016, the Value-Added Tax Law of the People’s Republic of China (the “**VAT Law**”) came into effect. According to the VAT Law, together with Circular 36, entities and individuals providing services within the PRC are subject to VAT. The services are treated as being provided within the PRC where either the service provider or the service recipient is located in the PRC. The services potentially subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that “loans” refers to the activity of lending capital for another’s use and receiving the interest income thereon. Based on the definition of “loans” under Circular 36, the issuance of Bonds may be treated as the holders of the Bonds providing financial services in the form of loans to the Issuer or the Guarantor for VAT purposes. In the event the Issuer or the Guarantor is deemed to be a PRC resident enterprise by the PRC tax authorities, and the holders of

the Bonds is regarded as providing financial services within the PRC, the amount of interest payable by the Issuer or the Guarantor (as applicable) to any non-resident holders of the Bonds may subject to withholding VAT at the rate of 6% plus related surcharges.

Stamp Duty

No PRC stamp tax will be chargeable upon the issue or transfer of a Bond to the extent that the register of holders of the Bonds is maintained outside Mainland China. The Issuer intends to maintain the register of holders of the Bonds outside Mainland China.

DESCRIPTION OF THE SHARES

Description of the Shares

Set forth below is a summary of the material terms of the articles of association of the Company (the “**Articles**”) insofar as they relate to the material terms of our ordinary shares. For the complete and full version of the Articles, please refer to the Company Articles available on the website of the Hong Kong Stock Exchange.

General

The Company is incorporated in Hong Kong with limited liability on 25 June 2012 under the Companies Ordinance (Chapter 32 of the laws of Hong Kong) (the “**Companies Ordinance**”). As of 30 June 2025, the total share capital of the Company was HK\$6,713,880,000, comprising 6,198,366,000 ordinary shares.

Alteration of Capital

The Company may from time to time by ordinary resolution alter its share capital in any one or more of the ways set out in the Companies Ordinance:

consolidate all of its shares into smaller number of shares than its existing number; during any consolidation of fully paid shares into shares of larger par value, the Board may resolve any issue which may arise, in such manner as it thinks expedient, and in particular may, as between the holders of shares to be consolidated, determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fraction(s) of consolidated share(s), such fraction(s) may be sold by any person appointed by the Board for that purpose and the person so appointed may transfer the fraction(s) so sold to the purchaser thereof and the validity of such transfer shall not be questioned by the purchaser, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to fraction(s) of consolidated share(s) rateably in accordance with their rights and interests or may be paid to the Company for the Company’s benefit;

cancel any shares which, at the date of the passing of the resolution, have not been taken up or agreed to be taken up by any person, or which have been forfeited in accordance with these Articles; and

sub-divide its shares into larger number of shares than its existing number subject nevertheless to the provisions of the Companies Ordinance, and so that the resolution whereby any share is sub-divided may, by virtue of the power of the Company to attach rights to or impose restrictions on new shares, determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any restrictions as compared with other shares.

The Company may by special resolution reduce its share capital subject to any conditions prescribed by law.

Variation of Rights

Without prejudice to any special rights conferred on the holders of any existing shares, the shares in the original or any increased capital of the Company may, to the extent permitted by the Companies Ordinance, be divided into different classes of shares as the Company may from time to time determine by a special resolution in a general meeting.

Any special rights (unless otherwise provided for by the terms of issue) attached to the shares or any class of the shares (if the capital is divided into different classes of shares) may, subject to the provisions of Section 180 of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than 75% of the total voting rights of holders of the shares or shares of

that class (if the capital is divided into different classes of shares) or with the sanction of a special resolution passed at a general meeting of the holders of the shares or at a separate general meeting of the holders of the shares of that class (if the capital is divided into different classes of shares). To every such separate general meeting the provisions of these Articles relating to general meeting shall *mutatis mutandis* apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third of the total voting rights of holders of shares of that class, and at an adjourned meeting one person holding or his proxy representing shares of that class, and any holder of shares of the class present in person or by proxy may demand a poll.

The provisions of these Articles shall apply to the variation or abrogation of the special rights attached to some of the shares of any class, as if such shares having their special rights so varied or abrogated formed a separate class on their own.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching thereto or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

Transfer of Shares

The right of shareholders to transfer their fully-paid shares shall not be restricted by any rights of pre-emption (except where permitted by the Stock Exchange). The instrument of transfer of any share shall be in writing and in any usual form or in any other form which the Directors approve including the standard form of transfer as prescribed by the Stock Exchange and shall be executed by or on behalf of the transferor and by or on behalf of the transferee.

The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee, or shall be executed with a manual signature or machine imprinted signature by or on behalf of the transferor or transferee, provided that in the case of execution by machine imprinted signature by or on behalf of the transferor or transferee, the Company shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such machine imprinted signature corresponds to one of those specimen signatures. (2) The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.

The Board may, in its absolute discretion without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists. The Board may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may also decline to recognise any instrument of transfer unless:

- (a) a fee of such amount of not more than the maximum amount as may from time to time be permitted under the rules prescribed by the Stock Exchange or such lesser sum as the Board may from time to time require is paid to the Company in respect of such instrument of transfer;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (c) the instrument of transfer is in respect of only one class of share;
- (d) the shares concerned are free of any lien in favour of the Company;
- (e) the instrument of transfer is properly stamped; and

(f) the shares concerned are fully paid up.

No transfer of share (not being a fully paid up share) shall be made to an infant or to a person of unsound mind or under other legal disability.

If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal provided that if any of the transferor or transferee should request for a statement of the reasons for the refusal, the Board must within 28 days after receiving the request send the statement of the reasons or register the transfer.

Upon every transfer of shares, the share certificate held by the transferor shall be surrendered for cancellation, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without any charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without any charge. The Company shall also retain the instrument of transfer.

The registration of transfers may be suspended, and the register may be closed, at such times and for such period as the Board may from time to time determine and either generally or in respect of any class of shares, provided always that in any year such registration shall not be suspended or the register shall not be closed for more than 30 days or, if such period is extended pursuant to the Companies Ordinance, the extended period.

The Company shall not charge any fee of more than the maximum fee prescribed by the Stock Exchange from time to time in respect of the registration of a transfer or in respect of the registration of any probate, letter of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the register affecting the title to any share.

Share Repurchase

To the extent permitted by the Companies Ordinance or any other applicable ordinance, statute, act or law, the Company may from time to time buy back its own shares or to give directly or indirectly, by means of loan, guarantee, provision of security or otherwise, financial assistance for the purpose of or in connection with such share buyback by the Company or a purchase made or to be made by any person of any shares in the Company.

Should the Company buy back its own shares, the share buy-back shall not be required to be made rateably according to the shareholding ratio of each of the shareholders concerned or in any other particular manner as agreed between the holders of shares of the same class or as agreed between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares, provided always that any such share buy-back or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange or the Securities and Futures Commission from time to time.

General Meetings

The Company must, in respect of each financial year of the Company, hold a general meeting as its annual general meeting within 6 months after the end of its accounting reference period and in accordance with section 610 of the Companies Ordinance. Subject to these Articles, the annual general meeting shall be convened by the Board to be held at such time and place as it thinks fit. General meetings include other meetings of shareholders which are not annual general meetings.

Notice of meetings

An annual general meeting shall be convened by giving at least 21 clear days' notice in writing.

All other general meetings of the Company shall be convened by giving at least 14 clear days' notice in writing.

The notice shall specify the place (if the meeting is held at two or more places, the principal place of the meeting and other place(s) of meeting), the day and the time of meeting, and shall be given, in a manner hereinafter mentioned or in such other manner (if any) as may be prescribed by the Company at a general meeting, to such persons as are entitled to receive such notices from the Company under these Articles; however, subject to the provisions of the Companies Ordinance, a meeting of the Company shall, notwithstanding that it is convened by giving shorter notice than that specified in these Articles, be deemed to have been duly convened if it is so agreed:

- (a) in the case of an annual general meeting, by all the shareholders entitled to attend and vote thereat; and
- (b) in the case of any other general meeting, by more than half of the shareholders having a right to attend and vote at the meeting and altogether holding not less than 95% of the total voting rights at the meeting of all shareholders.

Notice of every general meeting shall be given to:

- (a) every person shown as a member in the register of members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of members;
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting;
- (c) the Auditors;
- (d) each Director and alternate Director; and
- (e) such other person to whom such notice is required to be given in accordance with the Listing Rules.

The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive such notice shall not invalidate any resolution passed or any proceeding at any such meeting.

In cases where instrument of proxy is sent out with the notice, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive such notice shall not invalidate any resolution passed or any proceeding at any such meeting.

Quorum and Class Meeting

For all purposes, the quorum for a general meeting shall be two shareholders present in person or by proxy. No business shall be dealt with at any general meeting unless the requisite quorum is present when the meeting proceeds to the relevant business but the absence of a quorum shall not preclude the appointment, selection or election of the Chairman. Otherwise, no business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.

The provisions of these Articles relating to general meetings shall apply, *mutatis mutandis*, to any separate general meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of the class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

Voting Rights

Subject to the rules prescribed by the Stock Exchange from time to time, any vote of shareholders at a general meeting shall be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. For the purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its shareholders; and (ii) relate to the Chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.

A poll shall be taken as the Chairman directs, and he may appoint scrutineers (who need not be shareholders) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Shareholders must have the right to: (a) speak at general meetings of the Company; and (b) vote at a general meeting except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Where the Company has knowledge that any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

On any resolution where a vote is not required under the Companies Ordinance, the Listing Rules, these Articles or such other laws or regulations as applicable to the Company, if any, to be held on a poll, a poll may be demanded before or on the declaration of the result of the show of hands:

- (a) by the Chairman of the meeting. If the Chairman, before or on the declaration of the result on a show of hands, knows from the proxy forms received by the Company that the result on a show of hands will be different from that on a poll, the Chairman must demand a poll; or
- (b) by at least five shareholders present in person or by proxy for the time being who are entitled to vote at the meeting; or
- (c) by any shareholder or shareholders present in person or by proxy and representing not less than 5% of the total voting rights of all the shareholders having the right to attend and vote at the meeting; or
- (d) by any shareholder or shareholders present in person or by proxy having the right to attend and vote at the meeting and representing one-tenth or more of the total amount of capital that have been paid up of all shareholders having the right to attend and vote at the meeting,

and a demand for a poll by a person as proxy for a shareholder shall be as valid as if the demand were made by the shareholder himself.

Unless a poll be so demanded as aforesaid and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, the relevant result shall be final and conclusive. After an entry to that effect has been recorded in the minutes of the meeting, the entry shall be conclusive evidence of the fact without the need of proof of the number or proportion of the votes recorded in favour of or against such resolution.

If a poll is demanded as aforesaid, it shall be taken in such manner (including the use of ballots or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the general meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice is needed to be given if a poll is not taken immediately. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier. The result of the poll, whether or not declared by the Chairman at the meeting or any adjourned meeting thereof, shall be deemed to be the resolution of the meeting at which the poll was demanded. The poll result, as recorded in the scrutineers' certificate and signed by the scrutineer, shall be the conclusive evidence of such resolution of the meeting. The Company shall record in the minutes of the general meeting such result of the poll in accordance with the Companies Ordinance.

Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken immediately at the meeting and without adjournment.

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote, the Chairman shall determine the same, and such determination shall be final and conclusive.

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Proxies

Any shareholder entitled to attend and vote at a general meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote on behalf of him. On a voting by poll, votes may be given by a shareholder either in person or by proxy.

A proxy need not be a shareholder of the Company.

A shareholder may appoint more than one proxy to attend the aforesaid meeting.

Dividends and Other Methods of Distribution

The Company may by ordinary resolution declare dividends in any currency, but no dividends shall exceed the amount recommended by the Board.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and
- (b) all dividends shall be declared and paid pro rata according to the amounts paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

The Board may from time to time pay to the shareholders such interim dividends as it may appear to the Board to be in the interest of the Company and, in particular if at any time the capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend. Provided that the Board acts *bona fide*, the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.

The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if it is of the opinion that the profits justify the payment.

Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent by post to the registered address of the shareholder entitled to the same, or, in the case of joint holders, to the registered address of the one whose name stands first in the register in respect of the joint holding or to such address as the holder or joint holders may in writing notify the Company.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed, and the Company shall not become a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.

Any resolution declaring a dividend on shares of any class, whether a resolution of the general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares on a particular date or at a point of time on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividends of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to bonuses, capitalisation issue, distributions of realised capital profits or other offers or grants made by the Company to the shareholders.

Inspection of Corporate Records

The Board shall cause to be kept a register of the members, and the particulars required under the Companies Ordinance shall be entered therein. Subject to the provisions of the Companies Ordinance, the Board may exercise the power conferred on them by the Company to keep in a place outside Hong Kong a branch register of its shareholders and may make and vary regulations concerning the keeping of branch register as the Board thinks fit. Except when the register is closed, any shareholder may inspect during business hours the register maintained in Hong Kong without charge.

Procedures on Liquidation

If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the shareholders in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid up on the shares held by them respectively, but all subject to the rights of any shares which may be issued on special terms or conditions.

If the Company shall be wound up (whether the winding-up is voluntary, under supervision or by the court), the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the shareholders in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more kind or kinds of property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders and the shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of shareholders as the liquidator, with the like sanction, shall think fit, provided that no shareholder shall be compelled to accept any shares or other assets upon which there is a liability.

Special Resolutions

For the sake of clarity, subject to the Companies Ordinance, the Listing Rules or such other laws or regulations as applicable to the Company, if any, the following matters shall be approved by the shareholders by way of special resolution:

- (a) change of name of the Company;
- (b) alteration of these Articles, except an alteration of the Article to the maximum number of shares that the Company may issue, which may be passed by ordinary resolution;
- (c) reduction of the Company's share capital;
- (d) release of the Company from buy-back contracts;
- (e) authorising of the Company to make a payment out of capital in respect of the redemption or buy-back of its own shares;
- (f) winding up of the Company after a court order;
- (g) winding up of the Company;
- (h) authorising of the liquidator to accept shares as consideration for the sale of the Company's property in a voluntary liquidation;
- (i) the passing of any other resolutions required to be passed by way of special resolution pursuant to the Companies Ordinance, the Listing Rules or such other laws or regulations as applicable to the Company, if any.

MARKET PRICE INFORMATION

The table below sets forth the closing prices and the daily average trading volume of the Shares on the Hong Kong Stock Exchange for the periods indicated:

	Closing Share Price			Average Daily Trading Volume
	End	High	Low	
	(HK\$)			
2022				
First quarter	0.80	0.92	0.70	3,405,315
Second quarter	1.05	1.07	0.85	7,643,073
Third quarter	0.93	1.13	0.89	3,844,631
Fourth quarter	0.92	0.95	0.79	2,800,609
2023				
First quarter	1.06	1.08	0.93	2,423,869
Second quarter	1.09	1.11	1.02	2,437,770
Third quarter	1.15	1.30	1.11	2,610,495
Fourth quarter	1.27	1.27	1.12	1,145,595
2024				
First quarter	1.11	1.30	1.11	5,727,258
Second quarter	1.35	1.40	1.13	3,829,371
Third quarter	1.56	1.56	1.31	2,831,834
Fourth quarter	1.67	1.72	1.46	10,480,404
2025				
First quarter	1.65	1.67	1.52	8,651,145
Second quarter	1.94	2.05	1.46	21,478,577
Third quarter	1.85	2.23	1.80	40,645,903
Fourth quarter	2.10	2.17	1.79	32,603,631

Source: Bloomberg

DIVIDENDS

The Board has absolute discretion as to whether to declare any dividend for any year and, if it decides to declare a dividend, how much dividend to declare, subject to the Companies Ordinance and its articles of association, including the approval of its shareholders. The amount of any dividends to be declared or paid in the future will depend on, among other things, the Group's results of operations, cash flows and financial condition, operating and capital requirements and other applicable laws and regulations and other relevant factors.

The table below sets out certain statistics on cash dividends paid on Shares since 2022:

Period	Cash Dividend	Total
	(HK\$ '000)	Dividend
2022 Interim Dividend	184,082	184,082
2022 Final Dividend	429,525	429,525
2023 Interim Dividend	184,106	184,106
2023 Final Dividend	553,778	553,778
2024 Interim Dividend	184,844	184,844
2024 Final Dividend	644,630	644,630
2025 Interim Dividend	309,918	309,918

SUBSCRIPTION AND SALE

The Issuer and the Guarantor have entered into a subscription agreement dated 21 January 2026 (the “**Subscription Agreement**”) with the Managers, pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to issue, the Guarantor has agreed to guarantee, and the Managers have agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the aggregate principal amount of the Bonds set forth opposite each of their names below.

	Principal amount of the Bonds to be subscribed
	(HK\$)
1. China International Capital Corporation Hong Kong Securities Limited	1,169,000,000
2. CLSA Limited	1,169,000,000
Total.	<u>2,338,000,000</u>

Each of the Issuer and the Guarantor has agreed in the Subscription Agreement that neither the Issuer, the Guarantor nor any person acting on its behalf will (a) issue, offer, sell, pledge, encumber, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exercisable, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Managers between the date hereof and the date which is 90 days after the Issue Date (both dates inclusive); except for the issuance of the Bonds, and the New Shares on conversion of the Bonds and any Shares or other securities (including rights or options) which are issued, offered, exercised, allotted, appropriated, modified or granted to, or for the benefit of employees (including directors) of the Guarantor or any of its subsidiaries pursuant to any employee share scheme or plan.

The Subscription Agreement provides that the Issuer and the Guarantor will jointly and severally indemnify the Managers and their affiliates against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Managers are subject to certain conditions precedent and entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Issuer will pay the Managers’ customary commissions in connection with the offering and will reimburse the Managers for certain fees and expenses incurred in connection with the offering.

The Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities (“**Banking Services or Transactions**”). The Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services or Transactions with the Issuer and the Guarantor and/or their respective affiliates for which they have received, or will receive, fees and expenses.

In connection with the offering of the Bonds, the Managers and/or their respective affiliates, or affiliates of the Issuer or the Guarantor, may act as investors and place orders, receive allocations and trade the Bonds for their own account and such orders, allocations or trading of the Bonds may be material. Such entities may hold or sell such Bonds or purchase further Bonds for their own account in the secondary market or deal in any other securities of the Issuer or the Guarantor, and therefore, they may offer or sell the Bonds or other securities otherwise than in connection with the offering of the Bonds. Accordingly, references herein to the offering of the Bonds should be read as including any offering of the Bonds to the Managers and/or their respective affiliates, or affiliates of the Issuer or the Guarantor as investors for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Bonds and the Shares may be impacted.

Furthermore, it is possible that a significant proportion of the Bonds may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, the trading price and liquidity of trading in the Bonds may be constrained. The Issuer, the Guarantor and the Managers are under no obligation to disclose the extent of the distribution of the Bonds amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Managers and their respective affiliates make or hold 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. Such investment and securities activities may involve securities and instruments of the Issuer and/or the Guarantor, including the Bonds and the Shares and could adversely affect the trading price and liquidity of the Bonds and the Shares. The Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds, the Shares or other financial instruments of the Issuer or the Guarantor, and may recommend to their clients that they acquire long and/or short positions in the Bonds, the Shares or other financial instruments of the Issuer or the Guarantor.

Notice to capital market intermediaries 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). The CMIs also act 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, the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Guarantor or any CMI (including its group companies) and inform the 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 set out elsewhere in this Offering Circular.

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

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 Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, 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.

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: IB_PROJECT_GREENSAIL@CICC.COM.CN and IB.EQUITYLINKED@CLSA.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 it 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, the Guarantor, 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 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 Managers with such evidence within the timeline requested.

SELLING RESTRICTIONS

General

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

No action has been taken or will be taken in any jurisdiction that would permit a public offering of the Bonds, or possession or distribution of this Offering Circular or any amendment or supplement thereto or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required.

United States

The Bond, the Guarantee and the Shares to be issued upon conversion of the Bonds have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Bonds and the Guarantee are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds and the Guarantee, an offer or sale of the Bonds, the Guarantee or the Shares to be issued upon conversion of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Hong Kong

Each Manager has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (b) 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 (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) 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 Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds 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 under the SFO.

United Kingdom

Each Manager 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 the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; 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 the Bonds in, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) 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 Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the United Kingdom. For the purposes of this provision the expression “**retail investor**” means a person who is one (or more) of the following:

- (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.

British Virgin Islands

Each Manager has represented, warranted and agreed that invitation has not been nor will be made, directly or indirectly, to any person in the British Virgin Islands or to the public in the British Virgin Islands to purchase the Bonds and the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the British Virgin Islands, except as otherwise permitted by the British Virgin Islands laws.

Japan

The Bonds 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 “**Financial Instruments and Exchange Act**”). Accordingly, each Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale,

directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

PRC

Each Manager has represented and agreed that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including Hong Kong, Macau or Taiwan), except as permitted by applicable laws of the People's Republic of China.

Singapore

Each Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds 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 Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) 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.

GENERAL INFORMATION

1. Clearing Systems

The Bonds have been accepted for clearance through the facilities of Euroclear and Clearstream with the ISIN of XS3268835496 and Common Code of 326883549.

2. Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds. The issue of the Bonds have been authorised by a resolution of the Issuer's board of directors passed on 20 January 2026 and by the sole shareholder of the Issuer on 12 January 2026.

The Guarantor has obtained all necessary consents, approvals and authorisations in connection with the giving and performance of the Guarantee. The giving of the Guarantee and the right of conversion into Shares have been authorised by the meeting of the board of directors of the Guarantor held on 12 January 2026.

3. NDRC Registration

Pursuant to the NDRC Administrative Measures, the Company has registered the issuance of the Bonds with the NDRC and obtained a certificate from NDRC on 26 February 2025 evidencing such registration and intends to provide the requisite information on the issuance of the Bonds to the NDRC within the prescribed period.

4. No Material Adverse Change

Except as disclosed in this Offering Circular, there has been no material adverse change, or any development likely to involve an adverse change, in the financial or trading position or to the condition (financial or otherwise), prospects, results of operations, capitalisation, profitability, business, properties, general affairs or management of the Issuer, the Company or the Group since 30 June 2025.

5. Litigation

Except as disclosed in this Offering Circular, none of the Issuer, the Company or any member of the Group is involved in any governmental, litigation or arbitration proceedings that the Issuer or the Company believes are material in the context of the issue of the Bonds nor is the Issuer or the Company aware that any such proceedings are pending or threatened.

6. Available Documents

Copies of the Trust Deed and of the Agency Agreement (i) are available for inspection by Bondholders at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the principal office for the time being of the Trustee (being on the Issue Date at 3/F, CCB Tower, 3 Connaught Road Central, Hong Kong) following prior written request and proof of holding and identity to the satisfaction of the Trustee or (ii) may be provided by email to any Bondholder following prior written request and proof of holding and identity to the satisfaction of the Trustee or the Principal Agent.

7. Consolidated Financial Statements

The Company's consolidated financial statements as at and for the years ended 31 December 2023 and 2024, which are incorporated by reference in this Offering Circular, have been audited in accordance with HKFRS Accounting Standards as issued by the HKICPA by the then independent auditors of the Company. The Company's unaudited condensed consolidated financial statements

as at and for the six months ended 30 June 2025, which are incorporated by reference in this Offering Circular, have been reviewed in accordance with HKREs as issued by the HKICPA by the then independent auditors of the Company.

8. Listing

Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only. It is expected that listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange will commence on 29 January 2026.

Listing of the Shares application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Shares arising on conversion of the Bonds.

9. Legal Entity Identifier

The Legal Entity Identifier (LEI) of the Issuer is 549300K934XNVEY4JJ41.

ISSUER

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TRUSTEE

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**PRINCIPAL AGENT, REGISTRAR
AND TRANSFER AGENT**

**China Construction Bank (Asia)
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