Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. The securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States or other jurisdiction and the securities may not be offered or sold within the United States, or, in certain circumstances, to or for the amount or benefit of, U.S. persons (as defined in the Securities Act) absent registration or an exemption from registration under the Securities Act.*

***This announcement and the listing documents referred to herein are for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and do not constitute an offer to sell or acquire or the solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing documents) forms the basis for any contract or commitment whatsoever.** For the avoidance of doubt, the publication of this announcement and the listing documents referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.*

***Notice to Hong Kong investors:** The Issuer and the Company (as defined below) confirm that the notes to be issued under the Programme (as defined below) (the "**Notes**") are intended for purchase by professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) only, and the Programme (as defined below) has been and the Notes, to the extent such Notes are to be listed on The Stock Exchange of Hong Kong Limited, will be listed on The Stock Exchange of Hong Kong Limited on that basis. Accordingly, the Issuer and the Company confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

PUBLICATION OF OFFERING CIRCULAR

ICBCIL FINANCE CO. LIMITED
工銀國際租賃財務有限公司
(the "Issuer")

(a public company incorporated in Hong Kong with limited liability)

U.S.$20,000,000,000 Medium Term Note Programme (the "Programme")
with the benefit of a keepwell and liquidity support deed and
a deed of asset purchase undertaking provided by

ICBC 工银金租

ICBC Financial Leasing Co., Ltd.
(工银金融租赁有限公司)
(the "Company")

(a company incorporated in the PRC with limited liability)

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the offering circular relating to the Programme dated 6 May 2026 (the "**Offering Circular**"). The Offering Circular is published in English only. No Chinese version of the Offering Circular has been published.

Hong Kong, 7 May 2026

As at the date of this announcement, the directors of the Issuer are Wang Liang, Chan Suk On and Yu Xiang.

Appendix 1

Offering Circular dated 6 May 2026

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS (AS DEFINED IN REGULATION S ("REGULATION S") UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")) PURCHASING THE SECURITIES OUTSIDE THE U.S. IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S.

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

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE DOWNLOADED, FORWARDED OR DISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY DOWNLOADING, FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your Representation: In order to be eligible to view the following Offering Circular or make an investment decision with respect to the securities, investors must be addressees who are not U.S. persons (as defined under Regulation S) purchasing the securities outside the United States in an offshore transaction in reliance on Regulation S. By accepting the e-mail and accessing the following Offering Circular, you shall be deemed to have represented to us, the Arrangers (as defined in the Offering Circular) and the Dealers (as defined in the Offering Circular) under this programme that (1) you and any customers you represent are non-U.S. persons eligible to purchase the securities outside the United States in an offshore transaction in reliance on Regulation S and that the electronic e-mail address that you gave us and to which this e-mail has been delivered is not accessed from in the United States and (2) that you consent to the delivery of such Offering Circular by electronic transmission.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of this Offering Circular to any other person. You should not reply by e-mail to this notice, and you may not purchase any securities by doing so. Any reply by e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

This Offering Circular does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the Dealers or any affiliate of the Dealers is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Issuer in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Arrangers, the Dealers, the Trustee (as defined in the Offering Circular) or the Agents (as defined in the Offering Circular), nor any person who controls any of them, nor any director, officer, employee, nor agent of any of them, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arrangers or the Dealers.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

ICBCIL FINANCE CO. LIMITED
工銀國際租賃財務有限公司

(a public company incorporated in Hong Kong with limited liability)

US$20,000,000,000
Medium Term Note Programme
WITH THE BENEFIT OF A KEEPWELL AND LIQUIDITY SUPPORT DEED AND A DEED OF ASSET PURCHASE UNDERTAKING PROVIDED BY



ICBC Financial Leasing Co., Ltd.
(工银金融租赁有限公司)

(a company incorporated in the PRC with limited liability)

Under the US$20,000,000,000 Medium Term Note Programme described in this Offering Circular (the "**Programme**"), ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司 (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**"). The aggregate nominal amount of Notes outstanding will not at any time exceed US$20,000,000,000 (or the equivalent in other currencies), subject to increase as further described in "*Summary of the Programme*".

The Issuer, ICBC Financial Leasing Co., Ltd. (工银金融租赁有限公司), as the keepwell provider, (the "**Company**") and ICBC Maritime Financial Leasing Company Limited 工銀航運金融租賃有限公司 ("**ICBC Maritime**") have entered into an amended and restated keepwell and liquidity support deed dated on or about 6 May 2026 (as amended and supplemented from time to time, the "**Keepwell and Liquidity Support Deed**") and an amended and restated deed of asset purchase undertaking dated on or about 6 May 2026 (as amended and supplemented from time to time, the "**Deed of Asset Purchase Undertaking**") with Citicorp International Limited (the "**Trustee**") as trustee of the notes, as further described in the "*Description of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking*". **Neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking constitutes a direct or indirect guarantee of the Programme or the Notes by the Company and may not give rise to a debt claim or an order for specific performance in the event of any insolvency proceedings in relation to the Company.**

The Notes will constitute direct, unconditional, unsubordinated and, subject to Condition 4(a) of the Terms and Conditions of the Notes (the "**Conditions**"), unsecured obligations of the Issuer which will at all times rank *pari passu* and without any preference among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "Summary of the Programme" and any additional Dealer appointed under the Programme from time to time by the Issuer and the Company (each, a "**Dealer**" and, together, the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "Relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

Application has been made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of the Programme during the 12-month period after the date of this Offering Circular on the Hong Kong Stock Exchange under which the Notes may be issued 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) ("**Professional Investors**") only. This Offering Circular is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and the Company confirm that the Notes to be issued under the Programme are intended for purchase by Professional Investors only and the Programme and the Notes (to the extent such Notes are to be listed on the Hong Kong Stock Exchange) will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer and the Company confirm that the Notes 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 Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes or the Issuer, the Company and the Group (as defined in "*Certain Definitions and Conventions*") 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.

Where the Administrative Measures for Examination and Registration of Medium- and Long-term Foreign Debt 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)) promulgated by the National Development and Reform Commission of the PRC (the "**NDRC**") and which came into effect on 10 February 2023, and any implementation rules as issued by the NDRC from time to time (the "**NDRC Foreign Debt Measures**") apply to a Series of Notes to be issued, (x) a pre-issuance registration certificate issued to ICBC (as defined herein) by the NDRC pursuant to the NDRC Foreign Debt Measures, and (y) an approval or confirmation provided by ICBC which authorises the Issuer or the Company to use its foreign debt issuance quota under its pre-issuance registration certificate granted by the NDRC for the offering of the Notes shall have been obtained pursuant to the NDRC Foreign Debt Measures. After issuance of each Series of the Notes, the Issuer and the Company shall report, or cause ICBC to report the issuance information to the NDRC within 10 working days or the applicable prescribed timeframe after the completion of each such issuance.

Each Series (as defined in "*Summary of the Programme*") of Notes in bearer form ("**Bearer Notes**") will be represented on issue by a temporary global note in bearer form (each a "**Temporary Global Note**") or a permanent global note in bearer form (each a "**Permanent Global Note**", and together with the Temporary Global Note, the "**Global Notes**"). Interests in Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent Global Note or for definitive Bearer Notes, after the expiry of 40 days after the issue date of the relevant Tranche, upon certification as to non-U.S. beneficial ownership. Notes in registered form ("**Registered Notes**") will be represented by registered certificates (each a "**Certificate**"), one definitive Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series or (a) (other than Notes representing the first Tranche of a given Series), a temporary global certificate in registered form (a "**Temporary Global Certificate**") or (b) a permanent global certificate in registered form (a "**Permanent Global Certificate**", and together with the Temporary Global Certificate, the "**Global Certificate**") in respect of the Notes. Global Notes may be deposited on the issue date with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**") or with a sub-custodian for the Central Moneymarkets Unit Service, operated by the Hong Kong Monetary Authority (the "**CMU**"), and Global Certificates may be deposited on the issue date with a common depositary on behalf of Euroclear and Clearstream or with a sub-custodian for the CMU. In the case of a Series intended to be cleared through a clearing system other than, or in addition to Euroclear and/or Clearstream or CMU, or delivered outside a clearing system, the Global Notes and Global Certificates may be deposited on the relevant issue date as agreed between the Issuer and the relevant Dealer.

The Notes of each Series to be issued in registered form and which are sold in an "offshore transaction" within the meaning of Regulation S ("**Regulation S**") of the United States Securities Act of 1933, as amended (the "**Securities Act**") will, subject to the temporary global certificate requirements described above, initially be represented by a registered global certificate (each a "**Global Certificate**") without interest coupons, which may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, with a common depositary on behalf of Euroclear and Clearstream and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except in certain transactions exempt from the registration requirements of the Securities Act. For a description of these and certain further restrictions on offers, sales and transfers of Notes and distribution of this Offering Circular see "*Subscription and Sale*".

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Conditions, in which event a supplementary Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

MiFID II Product Governance/Target Market — The Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR Product Governance/Target Market — The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

IMPORTANT — EEA RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the 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 MiFID II; (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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT — UK RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not 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 European Union (Withdrawal) Act 2018; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 (2020 REVISED EDITION) — The Pricing Supplement in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act 2001 (2020 Revised Edition) (the "**SFA**"). The Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Pricing Supplement will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

The Programme is expected to be rated "A" by Standard & Poor's Financial Services LLC ("**S&P**"), "A1" by Moody's Ratings ("**Moody's**") and "A" by Fitch Ratings Ltd. ("**Fitch**"). These ratings are only correct as at the date of this Offering Circular. Tranches of Notes (as defined in "*Summary of the Programme*") to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.

Investing in the Notes involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the applicable Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors also should have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with Notes. Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" beginning on page 20 in this Offering Circular.

Arrangers and Dealers

ICBC International	**ICBC (Asia)**	**Bank of China**
Bank of Communications	**BNP PARIBAS**	**Goldman Sachs (Asia) L.L.C.**

Offering Circular dated 6 May 2026

NOTICE TO INVESTORS

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 Company and the Group (as defined in "*Certain Definitions and Conventions*"). The Issuer and the Company 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.

Each Tranche of the Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" as amended and/or supplemented by a Pricing Supplement. This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference. See "*Documents Incorporated by Reference*". This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Company or any of the Arrangers or the Dealers (each as defined in "*Summary of the Programme*") or the Trustee or the Agents (each as defined in "*Terms and Conditions of the Notes*"). Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by the Issuer, the Company, any Arranger, any Dealer, the Trustee or the Agents that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. This Offering Circular does not take into account the objectives, financial situation or needs of any potential investor. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, the Company or the Group. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Company, any Arranger, any Dealer, the Trustee or the Agents to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Company or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer, the Company or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Company, the Arrangers and the Dealers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the Securities Act of 1933 or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Notes in bearer form that are subject to U.S. tax law requirements.

Subject to certain exceptions, Bearer Notes may not be offered, sold or delivered within the United States or its possessions or to, or for the account or benefit of, U.S. persons.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UP ON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the Dealers or any affiliate of the Dealers is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Issuer in such jurisdiction. None of the Issuer, the Company, any Arranger, any Dealer, the Trustee, the Agents or their respective affiliates makes any representation to any investor in the Notes regarding the legality of its investment under any applicable law. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions.

None of the Issuer, the Company, the relevant Arrangers, the relevant Dealers, the Trustee, the Agents or their respective affiliates represents that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Pricing Supplement, no action has been taken by the Issuer, the Company, the relevant Arrangers, the relevant Dealers, the Trustee, the Agent or their respective affiliates which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore, the PRC and Japan. See "*Subscription and Sale*".

To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee, the Agents or any of their respective affiliates, employees, directors, agents, advisers or representatives accept any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by an Arranger or a Dealer, the Trustee or any Agent or on its behalf in connection with the Issuer, the Company or the Group or the issue and offering of the Notes. Each Arranger, each Dealer, the Trustee, each Agent and each of their respective affiliates, employees, directors, agents, advisers or representatives accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any financial statements of the Issuer, the Company or the Group is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Company, the Arrangers, the Dealers, the Trustee, the Agents or their respective affiliates, employees, directors, agents, advisers or representative that any recipient of this Offering Circular or any financial statements of the Issuer, the Company or the Group should purchase the Notes. Each potential investor of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. The Arrangers, the Dealers, the Trustee and the Agents have not separately verified the information contained or incorporated by reference in this Offering Circular. None

of the Arrangers, the Dealers or their respective affiliates, employees, directors, agents, advisers or representative makes any representation, warranty or undertaking, express or implied, as to the accuracy or completeness of the information contained herein or incorporated by reference in this Offering Circular. None of the Arrangers, the Dealers, the Trustee, the Agents or their respective affiliates, employees, directors, agents, advisers or representatives undertakes to review the financial condition or affairs of the Issuer, the Company or the Group during the life of the arrangements contemplated by this Offering Circular or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers, the Dealers, the Trustee, the Agents or their respective affiliates, employees, directors, agents, advisers or representatives.

From time to time, in the ordinary course of business, certain of the Arrangers, the Dealers and/or their affiliates have provided advisory and investment banking services, and entered into other commercial transactions with the Issuer, the Company and their affiliates, including commercial banking services, for which customary compensation has been received. It is expected that the Dealers and their affiliates will continue to provide such services to, and enter into such transactions with, the Issuer and the Company and their affiliates in the future.

The Dealers or certain of their respective affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes and not with a view to distribution.

In making an investment decision, each potential investor must rely on its own examination of the Issuer, the Company and the Group and the terms of the Notes being offered, including the merits and risks involved. The Issuer, the Company, the Arrangers, the Dealers, the Trustee, the Agents and their respective affiliates, employees, directors, agents, advisers or representatives do not make any representation regarding the legality of investment under any applicable laws.

Potential investors should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

Important Notice to Prospective Investors

Notice to prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Programme, each such offering, a "**CMI Offering**", including certain Dealers, may be "capital market intermediaries" ("**CMIs** ", each a "**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. Certain CMIs may also be acting as "overall coordinators" ("**OCs**") for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Company, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Issuer, the Company, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Company or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI 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 the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI 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). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50 per cent. 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 the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any relevant Dealer, 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 Dealer 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 the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Company, 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 the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

MiFID II Product Governance/Target Market — The Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR Product Governance/Target Market — The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

IMPORTANT — EEA RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the 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 MiFID II; (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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT — UK RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not 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 European Union (Withdrawal) Act 2018; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 (2020 REVISED EDITION) — The Pricing Supplement in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the SFA. The Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Pricing Supplement will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

In connection with any Tranche of Notes, one or more of the Dealers (or persons acting on their behalf) may act as the stabilisation manager(s) (the "Stabilisation Manager(s)"). The identity of the Stabilisation Manager(s) (if any) will be disclosed in the relevant Pricing Supplement. In connection

with the issue of any Tranche of Notes, one or more of the Dealers named as Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no obligation on the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager) to do this. Such stabilisation, if commenced, may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, and must be brought to an end after a limited period. Such stabilisation shall be in compliance with all applicable laws, regulations and rules.

CERTAIN DEFINITIONS AND CONVENTIONS

In the Offering Circular, unless otherwise specified, references to the "**PRC**" or "**China**" are to the People's Republic of China, excluding Taiwan region, Hong Kong and Macau, references to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China, references to "**Macau**" are to the Macau Special Administrative Region of the People's Republic of China, references to the "**U.S.**" or the "**United States**" are to the United States of America, references to "**US$**", "**U.S.$**", "**USD**" or "**U.S. dollar**" are to the lawful currency of the United States of America, references to "**Renminbi**", "**RMB**" or "**CNY**" are to the lawful currency of the PRC, and references to "**Hong Kong dollar**" or "**HK$**" are to the lawful currency of Hong Kong.

In this Offering Circular, references to the "**ICBC**" are to Industrial and Commercial Bank of China Limited and references to the "**Group**" are to the Company and its subsidiaries.

In this Offering Circular, references to the "**CBIRC**" are to the former China Banking and Insurance Regulatory Commission which was established on 8 April 2018 through the merger of functions between China Banking Regulatory Commission ("**CBRC**") and the former China Insurance Regulatory Commission. CBIRC has been replaced by the National Financial Regulatory Administration (國家金融監督管理總局) (the "**NAFR**") which was established on 18 May 2023.

In this Offering Circular, certain amounts and percentages may have been rounded up or down, including but not limited to where information has been presented in thousands, millions or billions of units. 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. References to information in billions of units are to the equivalent of a thousand million units.

Solely for convenience, this Offering Circular contains translations of certain U.S. dollar amounts into Renminbi amounts. Unless indicated otherwise, the translation of U.S. dollar amounts into Renminbi amounts has been made at the rate of US$1.00 to RMB6.9931, the exchange rate set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 31 December 2025. These translations should not be construed as representations that the U.S. dollar amounts could actually be converted into any Renminbi amounts at the rates indicated or at all. For further information relating to exchange rates, see "*Exchange Rate Information*".

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.

DOCUMENTS INCORPORATED BY REFERENCE

The Issuer hereby incorporates by reference (i) each Pricing Supplement and (ii) all amendments and supplements from time to time to this Offering Circular, each of which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with the contents of this Offering Circular.

Any documents incorporated by reference in this Offering Circular shall not itself incorporate any other document by reference so as to form part of this Offering Circular.

Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available for inspection free of charge during usual business hours on any weekday (Saturdays and public holidays excepted) from the specified offices of the Issuer and of the Trustee (as defined below) set out at the end of this Offering Circular.

SUPPLEMENTAL OFFERING CIRCULAR

The Issuer has given an undertaking to the Arrangers and the Dealers that it shall (i) if it has notified the Arrangers or the Dealers in writing that it intends to issue Notes under the Programme for the time being, and if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in the Offering Circular which is capable of affecting an assessment by investors of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and/or the Company and/ or the Group and/or of the rights attaching to the Notes, prepare and publish an amendment or supplement to the Offering Circular (the "**Supplemental Offering Circular**"), (ii) advise the Arrangers and the Dealers promptly of any proposal to amend or replace the Offering Circular, (iii) advise the Arrangers and Dealers promptly of any proposal to supplement the Offering Circular and (iv) provide the Arrangers and the Dealers with a copy of any such proposed amendment, supplement or replacement immediately prior to its publication.

PRESENTATION OF FINANCIAL INFORMATION

The audited consolidated financial statements of the Group as at and for the year ended 31 December 2024 (the "**Group 2024 Audited Financial Statements**") and as at and for the year ended 31 December 2025 (the "**Group 2025 Audited Financial Statements**", and together with the Group 2024 Audited Financial Statements, the "**Group Audited Financial Statements**") have been prepared in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China ("**PRC GAAP**") and have been audited in accordance with International Standards on Auditing ("**ISA**") by KPMG Huazhen LLP ("**KPMG Huazhen**").

In 2024, the Company acquired control of entities through business combinations involving enterprises under common control and the comparative financial information as at and for the year ended 31 December 2023 in the Group 2024 Audited Financial Statements has been restated. See "*Note III. 25 — Scope of consolidated financial statements*" of the Group 2024 Audited Financial Statements.

In 2025, the Company acquired control of entities through business combinations involving enterprises under common control and the comparative financial information as at and for the year ended 31 December 2024 in the Group 2025 Audited Financial Statements has been restated. See "*Note III. 25 — Scope of consolidated financial statements*" of the Group 2025 Audited Financial Statements. As the historical financial information included in the Group 2024 Audited Financial Statements has not been restated to reflect such business combinations, such financial information is not directly comparable with the comparative financial information included in the Group 2025 Audited Financial Statements. See also "*Risk Factors — Risks Relating to the Business of the Group — The Group's historical financial information may not be indicative of its current or future results of operations and investors should exercise caution in comparing financial data between years or periods due to changes in accounting standards and/or scope of consolidation*". As the scope of consolidation of the Company's consolidated financial statements may change from time to time and MOF may promulgate new accounting standards and requirements in relation to financial statements from time to time, there can be no assurance that such changes in scope of consolidation or new accounting standards and requirements would not materially and adversely affect the Group's accounting policies or the presentation of the Company's consolidated financial statements. Accordingly, prospective investors must exercise caution and should seek advice from their own professional advisers if necessary when using the Company's consolidated financial information to evaluate the Company's or the Group's financial performance.

PRC GAAP differs in certain respects from the IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"). For a discussion of certain differences between PRC GAAP and IFRS Accounting Standards, see "*Summary of Certain Differences between PRC GAAP and IFRS Accounting Standards*".

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Offering Circular includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). All statements other than statements of historical fact contained in this Offering Circular, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where the Company participates or is seeking to participate, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "will", "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 globally;
- 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 Group's business strategy and plan to achieve this strategy;
- the availability and charges of bank loans and other forms of financing;
- the Group's financial condition and results of operations;
- changes in currency exchange rates;
- changes in interest rates;
- macroeconomic policies of the PRC government and changes in the regulatory environment in the PRC; and
- other factors beyond the Issuer's and the Company's control, including those discussed in the section headed "*Risk Factors*".

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". The Group cautions 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. The Group undertakes no 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 and the actual results of the Group could differ materially from those anticipated in these forward-looking statements.

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SUMMARY

Overview

The Company was incorporated on 28 November 2007 in Tianjin, PRC as a wholly-owned subsidiary of ICBC.

On 13 January 2014, ICBC injected an additional RMB3.0 billion of equity capital into the Company, which increased the Company's share capital to RMB11.0 billion. This equity injection was one of several rounds made by ICBC. In early 2018 and 2025, the Company has further increased its registered capital, leading to a paid-in capital of RMB33 billion as at 31 December 2025.

The Company was the first bank-affiliated financial leasing company in the PRC approved by the then CBRC. It was established as a key platform in implementing ICBC's comprehensive operating strategy and products offering, and ICBC has provided the Group with full support in its business development.

The Group's leasing business is organised mainly around three sectors: (i) aircraft leasing sector, (ii) domestic integrated leasing sector and (iii) maritime leasing sector.

As the Group is the only financial leasing platform of ICBC, it benefits from enhanced business synergy through strong capital and liquidity support provided by ICBC. Moreover, the Group leverages ICBC's extensive client base, brand recognition, and international business network, which are instrumental in driving its international development. This strategic positioning is supported by ICBC's comprehensive marketing strategies and rigorous risk management system.

Competitive Strengths

The Group believes that its key strengths include:

- Strong support from ICBC
- Industry leader with a differentiated strategy
- Strong product capabilities and superior innovation
- Diversified funding sources to support growth
- Comprehensive and robust risk management
- An experienced and professional management team

Business Strategies

The Group intends to implement the following principal strategies to support the further development of its business:

- Maintain strategies of specialisation, marketisation and internationalisation
- Expand the Group's client base by targeting industry leaders and key markets
- Promote closer integration between ICBC and the leasing business

- Further improve risk management capabilities
- Actively optimise liability structure to reduce financing cost

Recent Developments

The Group's offshore maritime assets are managed by ICBC Maritime

On 2 July 2024, the Company obtained approval from the NAFR, authorising the establishment of a wholly-owned subsidiary in Hong Kong focused on maritime leasing business. ICBC Maritime Financial Leasing Company Limited 工銀航運金融租賃有限公司 ("**ICBC Maritime**") was subsequently established on 16 July 2024.

In December 2024, ICBC Maritime signed two share purchase agreements with ICBC International Leasing Company Limited, under which ICBC Maritime acquired 100 per cent. of equity interest of ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司 and ICIL Maritime Leasing (International) Company Limited, respectively. As at the date of this Offering Circular, such equity interest acquisition is complete. ICBC Maritime will conduct its maritime leasing business in alignment with the Group's evolving business needs and strategies.

SUMMARY OF THE PROGRAMME

The following summary is qualified in its entirety by the remainder of this Offering Circular. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this summary. For a complete description of the terms of the Notes issued under the Programme, see "Terms and Conditions of the Notes".

Issuer	ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司 (Legal Entity Identifier: 549300ZCUURSNVTOEU07)
Company	ICBC Financial Leasing Co., Ltd. (工银金融租赁有限公司)
Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking	The Issuer, the Company, ICBC Maritime and the Trustee have entered into a Keepwell and Liquidity Support Deed and a Deed of Asset Purchase Undertaking, as further described in "Description of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking". For the avoidance of doubt, (i) the amended and restated keepwell and liquidity support deed dated 24 April 2018 (as further amended, restated, or supplemented from time to time, the "**Original Keepwell and Liquidity Support Deed**") between the Issuer, ICBC International Leasing Co. Ltd., the Company and the Trustee and (ii) the deed of asset purchase undertaking dated 7 October 2015 (as further amended, restated, or supplemented from time to time, the "**Original Deed of Asset Purchase Undertaking**") between the Issuer, ICBC International Leasing Co. Ltd., the Company and the Trustee do not apply to any Notes issued on or after 6 May 2026. In the case of Notes issued prior to 6 May 2026, the terms of the Original Keepwell and Liquidity Support Deed and the Original Deed of Asset Purchase Undertaking in effect as at the time of such issuance shall continue in full force and effect.
Description	Medium Term Note Programme
Size	Up to US$20,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any time. The Issuer and the Company may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.

Risk Factors	There are certain factors that may affect the ability of the Issuer and the Company to fulfil their respective obligations in respect of the Notes issued under the Programme, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement. These are set out under the section "*Risk Factors*" below. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "*Risk Factors*" and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes, certain market risks and certain risks relating to Renminbi-denominated Notes.
Arrangers	ICBC International Securities Limited, Industrial and Commercial Bank of China (Asia) Limited, Bank of China Limited, Bank of Communications Co., Ltd. Hong Kong Branch, BNP PARIBAS and Goldman Sachs (Asia) L.L.C.
Dealers	ICBC International Securities Limited, Industrial and Commercial Bank of China (Asia) Limited, Bank of China Limited, Bank of Communications Co., Ltd. Hong Kong Branch, BNP PARIBAS and Goldman Sachs (Asia) L.L.C. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "Permanent Dealers" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to "Dealers" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Status of the Notes	The Notes and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) of the Conditions) 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 Notes and the Receipts and the Coupons relating to them shall, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application and subject to Condition 4(a) of the Conditions, at all times rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations of the Issuer.
Trustee	Citicorp International Limited
Paying Agent, Transfer Agent and Registrar	Citibank, N.A., London Branch

Calculation Agent	To be appointed on a per series basis.
CMU Lodging and Paying Agent	Citicorp International Limited
Method of Issue	The Notes may be issued on a syndicated or non-syndicated basis. The Notes may be issued in series (each a "**Series**") having one or more issue dates (each tranche within such Series, a "**Tranche**") and on terms otherwise identical (or in all respects save for the issue dates, the first Interest Payment Dates, Interest Commencement Dates (if applicable) and/or issue prices (if applicable)), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save for the issue dates, issue prices (if applicable), the first Interest Payment Dates, Interest Commencement Dates (if applicable) and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement (a "**Pricing Supplement**").
Issue Price	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Form of Notes	Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"). Registered Notes will not be exchangeable for Bearer Notes and vice versa. Bearer Notes will be issued only under Regulation S outside the United States to non-U.S. persons.

Each Tranche of Bearer Notes will initially be represented by a Temporary Global Note or a Permanent Global Note, as specified in the applicable Pricing Supplement, which, in each case, may be deposited on the issue date with a common depositary for Euroclear, Clearstream or any other agreed clearance system compatible with Euroclear and Clearstream or, in respect of CMU Notes, a sub-custodian for the CMU Service. A Temporary Global Note will be exchangeable, in whole or in part, as described therein, for interests in a Permanent Global Note or if so stated in the relevant Pricing Supplement, the Definitive Notes, as described under "*Summary of Provisions Relating to Notes While Represented by Global Notes or Global Certificates*". A Permanent Global Note may be exchanged, in whole but not in part, for Definitive Notes only upon the occurrence of an Exchange Event as described under "*Summary of Provisions Relating to Notes While Represented by Global Notes or Global Certificates*". Any interest in a Temporary Global Note or a Permanent Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, the CMU Service and/or any other agreed clearance system, as appropriate.

Bearer Notes will be issued in compliance with applicable U.S. tax rules. Bearer Notes will be issued in compliance with rules in substantially the same form as U.S. Treasury Regulation § 1.163-5(c)(2)(i)(D) for purposes of Section 4701 of the U.S. Internal Revenue Code (the "**TEFRA D**") unless (i) the applicable Pricing Supplement states that the Bearer Notes are issued in compliance with rules in substantially the same form as U.S. Treasury Regulation § 1.163-5(c)(2)(i)(C) for purposes of Section 4701 of the U.S. Internal Revenue Code (the "**TEFRA C**") or (ii) the Bearer Notes are issued other than in compliance with the TEFRA D or the TEFRA C but in circumstances in which the Notes will not constitute "registration required obligations" for U.S. federal income tax purposes, which circumstances will be referred to in the applicable Pricing Supplement. Bearer Notes that are issued in compliance with the TEFRA D must be initially represented by a Temporary Global Note, exchangeable for a Permanent Global Note upon certification of non-U.S. ownership as required under the TEFRA D.

	Each Tranche of Registered Notes, which is sold outside the United States to non-U.S. persons in reliance on Regulation S, will, unless otherwise specified in the applicable Pricing Supplement, be represented by a Global Certificate (as defined in the "*Summary of Provisions Relating to Notes While Represented by Global Notes or Global Certificates*"), which will be deposited on or about its issue date with a Common Depositary for, and registered in the name of a nominee of, Euroclear and Clearstream, or, in respect of CMU Notes, a sub-custodian for the CMU Service operated by the HKMA. With respect to all offers or sales by a Dealer of an unsold allotment or subscription and in any case prior to the expiry of the distribution compliance period (as defined in Regulation S), beneficial interests in a Global Certificate of such Tranche may be held only through Euroclear, Clearstream or the CMU Service. Global Certificates will be exchangeable for Definitive Notes only upon the occurrence of an Exchange Event as described in "*Summary of Provisions Relating to Notes While Represented by Global Notes or Global Certificates*". Registered Notes will be represented by registered Certificates, one definitive Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Tranche or (a) (other than Notes representing the first Tranche of a given Series), a Temporary Global Certificate or (b) a Permanent Global Certificate, in respect of the Notes. Interests in Temporary Global Certificates will be exchangeable for interests in a Permanent Global Certificate only after the date falling at least 40 days after the completion of the distribution of the Notes of the relevant Tranche. Registered Notes sold in an "offshore transaction" within the meaning of Regulation S will, subject to the temporary global certificate requirements described above, initially be represented by a Global Certificate. Application will be made to have Global Notes or Global Certificates of any Tranche accepted for clearance and settlement through the facilities of Euroclear, Clearstream and/or the CMU Service, as appropriate.
Clearing Systems	With respect to Notes (other than CMU Notes), Euroclear, Clearstream and such other clearing system as shall be agreed between the Issuer, the Trustee, the Agents and the relevant Dealer. With respect to CMU Notes, the CMU Service (each of Euroclear, Clearstream and the CMU Service, a "**Clearing System**"). See "*Clearance and Settlement*".

Initial Delivery of Notes	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, deposited with a sub-custodian for the HKMA as operator of the CMU, or deposited with a depositary or sub-custodian for any other clearing system or may be delivered outside any clearing system **provided that** the method of such delivery has been agreed in advance by the Issuer, the Trustee and the relevant Dealers. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturities	Subject to compliance with all relevant laws, regulations and directives, any maturity agreed between the Issuer and the relevant Dealers.
Specified Denomination	Notes will be in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all relevant laws, regulations and directives. Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") will have a minimum denomination of £100,000 (or its equivalent in other currencies).
Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. All such information will be set out in the relevant Pricing Supplement.
Fixed Rate Notes	Fixed interest will be payable in arrear on such date or dates as may be agreed between the Issuer and the Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the Relevant Dealer(s).

Floating Rate Notes	Floating Rate Notes will bear interest determined separately for each Series as follows: • on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporated in the ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the issue date of the first Tranche of the Notes of the relevant Series); or • by reference to EURIBOR, HIBOR or CNH HIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin; • on the basis of SOFR reference rates appearing on the agreed screen page of a commercial quotation service (in relation to Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark); or • on such other basis as may be agreed between the Issuer, the Company and the Relevant Dealer(s).
Zero Coupon Notes	Zero Coupon Notes (as defined in "*Terms and Conditions of the Notes*") may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes (as defined in "*Terms and Conditions of the Notes*") will be made in such currencies, and based on such rates of exchange, as the Issuer and the Relevant Dealer(s) may agree and as may be specified in the relevant Pricing Supplement.
Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes (as defined in "*Terms and Conditions of the Notes*") or of interest in respect of Index Linked Interest Notes (as defined in "*Terms and Conditions of the Notes*") will be calculated by reference to such index and/or formula or to changes in prices of securities or commodities or to such other factors as the Issuer and the Dealer(s) may agree and as may be specified in the relevant Pricing Supplement.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

Redemptions	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Optional Redemption	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Redemption for Change of Control	At any time following the occurrence of a Change of Control (as defined in "*Terms and Conditions of the Notes*"), the holder of each Note will have the right, at such holder's option, to require the Issuer to redeem all, but not some only, of such holder's Notes on the Put Settlement Date at a redemption price equal to 101 per cent. of their Early Redemption Amount, together with interest accrued to such Put Settlement Date, as further described in Condition 6(e) of the Conditions.
Redemption for Taxation Reasons	Notes will be redeemable at the Issuer's option prior to maturity for taxation reasons as further described in Condition 6(c) of the Conditions.
Negative Pledge	The Notes will contain a negative pledge provision as further described in Condition 4(a) of the Conditions.
Events of Default	Upon the occurrence of certain events as described in Condition 10 of the Conditions, the Trustee at its discretion may and, if so requested in writing by holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Redemption Amount together with accrued interest without further action or formality.
Cross-Acceleration	The Notes will contain a cross-acceleration provision as further described in Condition 10(c) of the Conditions.
Ratings	The Programme is expected to be rated "A" by S&P, "A1" by Moody's and "A" by Fitch. These ratings are only correct as at the date of this Offering Circular. Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement.

	A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Withholding Tax	All payments of principal, premium (if any) and interest in respect of the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Hong Kong, the PRC or by or within any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is compelled by law. In that event, the Issuer shall pay certain additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note in the circumstances set out in Condition 8 of the Conditions.
Governing Law	The Notes, the Trust Deed, the Agency Agreement and the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and any non-contractual obligations arising out of or in connection therewith are governed by English law.
Jurisdiction	Exclusive jurisdiction of Hong Kong courts.
Listing	Application has been made to the Hong Kong Stock Exchange for the listing of the Programme during the 12-month period after the date of this Offering Circular on the Hong Kong Stock Exchange under which the Notes may be issued by way of debt issues to Professional Investors only, as described in this Offering Circular. However, unlisted Notes and Notes to be listed, traded or quoted on or by any other competent authority, stock exchange or quotation system may be issued pursuant to the Programme. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s). Notes to be listed on the Hong Kong Stock Exchange are required to have a denomination of at least HK$500,000 (or its equivalent in other currencies).
Selling Restrictions	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore, the PRC and Japan, see "*Subscription and Sale*" below.

For the purposes of Regulation S, Category 2 selling restrictions will apply unless otherwise indicated in the relevant Pricing Supplement.

In connection with the offering and sale of a particular Series of Notes, additional restrictions may be imposed which will be set out in the applicable Pricing Supplement.

Bearer Notes will be issued in compliance with the TEFRA D unless (i) the applicable Pricing Supplement states that the Bearer Notes are issued in compliance with the TEFRA C or (ii) the Bearer Notes are issued other than in compliance with the TEFRA D or the TEFRA C but in circumstances in which the Notes will not constitute "registration required obligations" for U.S. federal income tax purposes, which circumstances will be referred to in the applicable Pricing Supplement. Bearer Notes with a term of 365 days or less (taking into account any unilateral rights to extend or rollover the term) may be issued other than in compliance with the TEFRA D or the TEFRA C and will be referred to in the applicable Pricing Supplement as a transaction to which the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**") is not applicable.

SUMMARY FINANCIAL INFORMATION OF THE GROUP

The following tables set forth the summary consolidated financial information of the Group as at and for the financial years indicated.

The summary consolidated financial information as at and for the years ended 31 December 2023, 2024 and 2025 has been derived from the Group Audited Financial Statements. The Group Audited Financial Statements have been audited by KPMG Huazhen and included elsewhere in this Offering Circular. The information set out below should be read in conjunction with, and is qualified in its entirety by reference to, such audited consolidated financial statements of the Group and, including the notes thereto, included elsewhere in this Offering Circular. Historical results of the Group are not necessarily indicative of results that may be achieved for any future period.

In 2024, the Company acquired control of entities through business combinations involving enterprises under common control and the comparative financial information as at and for the year ended 31 December 2023 in the Group 2024 Audited Financial Statements has been restated. See "Note III. 25 — Scope of consolidated financial statements" of the Group 2024 Audited Financial Statements.

In 2025, the Company acquired control of entities through business combinations involving enterprises under common control and the comparative financial information as at and for the year ended 31 December 2024 in the Group 2025 Audited Financial Statements has been restated. See "Note III. 25 — Scope of consolidated financial statements" of the Group 2025 Audited Financial Statements. As the historical financial information included in the Group 2024 Audited Financial Statements has not been restated to reflect such business combinations, such financial information is not directly comparable with the comparative financial information included in the Group 2025 Audited Financial Statements. See also "Risk Factors — Risks Relating to the Business of the Group — The Group's historical financial information may not be indicative of its current or future results of operations and investors should exercise caution in comparing financial data between years or periods due to changes in accounting standards and/or scope of consolidation.". As the scope of consolidation of the Company's consolidated financial statements may change from time to time and MOF may promulgate new accounting standards and requirements in relation to financial statements from time to time, there can be no assurance that such changes in scope of consolidation or new accounting standards and requirements would not materially and adversely affect the Group's accounting policies or the presentation of the Company's consolidated financial statements. Accordingly, prospective investors must exercise caution and should seek advice from their own professional advisers if necessary when using the Company's consolidated financial information to evaluate the Company's or the Group's financial performance.

The Group Audited Financial Statements have been prepared and presented in accordance with PRC GAAP. PRC GAAP differs in certain respects from IFRS Accounting Standards. For a discussion of certain differences between PRC GAAP and IFRS Accounting Standards, see "Summary of Certain Differences between PRC GAAP and IFRS Accounting Standards" in the Offering Circular.

CONSOLIDATED BALANCE SHEET OF THE GROUP

	As at 31 December	
	2023	2024
	(Restated)	
	(in RMB thousands)	
ASSETS		
Deposits with the central bank	17,217	25,171
Cash and bank balances	22,240,159	41,403,460
Derivative financial assets	91,574	29,867
Lease receivables	173,825,205	166,532,246
Other debt investments	2,849,389	2,890,198
Investments in other equity instruments	233,347	239,832
Financial assets held for trading	988,126	838,372
Long-term equity investments	57,980	84,206
Prepayments	4,432,454	7,870,657
Fixed assets	151,212,402	154,914,816
Construction in progress	17,663,937	13,539,611
Right-of-use assets	9,897,763	7,859,986
Deferred tax assets	832,342	766,047
Other assets	18,903,057	20,906,162
Total Assets	403,244,952	417,900,631
LIABILITIES AND EQUITY		
Liabilities		
Borrowings	267,004,931	297,225,784
Derivative financial liabilities	64,095	–
Financial assets sold under repurchase agreements	1,631,073	1,953,808
Advances from customers	2,540,113	2,112,663
Bills payable	488,933	2,155,563
Employee benefits payable	249,488	278,407
Taxes payable	858,826	1,135,350
Security deposits payable	1,323,104	1,221,260
Other payables	6,238,625	7,837,800
Debt securities issued	64,497,312	44,944,974
Long-term payables	159,116	47,309
Lease liabilities	6,759,440	4,877,544
Deferred tax liabilities	2,253,275	2,192,370
Total Liabilities	354,068,331	365,982,832
Equity		
Paid-in capital	18,000,000	18,000,000
Capital reserve	493,234	493,234
Other comprehensive income	751,232	1,027,505
Surplus reserve	2,916,739	3,068,576
General reserve	2,922,506	3,099,568
Retained earnings	23,756,910	25,823,698
Attributable to owners of the Company	48,840,621	51,512,581
Non-controlling interests	336,000	405,218
Total Equity	49,176,621	51,917,799
Total Liabilities and Equity	403,244,952	417,900,631

	As at 31 December	
	2024	2025
	(Restated)	
	(in RMB thousands)	
ASSETS		
Deposits with the central bank	25,171	1,000,313
Cash and bank balances	41,471,338	41,894,596
Derivative financial assets	29,867	–
Lease receivables	166,719,921	163,474,385
Other debt investments	2,890,198	3,617,776
Investments in other equity instruments	239,832	180,967
Financial assets held for trading	838,372	657,192
Long-term equity investments	84,206	55,441
Investment properties	4,148,659	3,957,910
Prepayments	8,323,996	13,554,915
Fixed assets	155,252,707	154,008,381
Construction in progress	13,539,611	14,264,718
Right-of-use assets	7,905,850	6,908,556
Deferred tax assets	766,047	806,658
Other assets	4,446,231	4,061,570
Total Assets	406,682,006	408,443,378
LIABILITIES AND EQUITY		
Liabilities		
Borrowings	298,355,218	291,931,246
Derivative financial liabilities	–	–
Financial assets sold under repurchase agreements	1,953,808	2,332,182
Advances from customers	2,113,168	1,988,406
Bills payable	2,155,563	2,626,185
Employee benefits payable	280,338	320,566
Taxes payable	1,155,832	1,095,550
Security deposits payable	1,270,340	1,216,996
Other payables	7,647,061	7,025,108
Debt securities issued	44,944,974	37,019,675
Long-term payables	47,309	46,259
Lease liabilities	4,928,120	4,057,247
Deferred tax liabilities	2,187,335	2,178,450
Total Liabilities	367,039,066	351,837,870
Equity		
Paid-in capital	18,000,000	33,000,000
Capital reserve	32	32
Other comprehensive income	851,196	572,596
Surplus reserve	3,068,576	3,211,214
General reserve	3,099,568	3,458,594
Retained earnings	14,218,350	15,824,139
Attributable to owners of the Company	39,237,722	56,066,575
Non-controlling interests	405,218	538,933
Total Equity	39,642,940	56,605,508
Total Liabilities and Equity	406,682,006	408,443,378

CONSOLIDATED INCOME STATEMENT OF THE GROUP

	Year ended 31 December	
	2023	2024
	(Restated)	
	(in RMB thousands)	
Operating income		
Finance lease income and interest income	11,391,985	10,397,654
Operating lease income	16,310,754	17,718,112
Fee and commission income	299,589	244,956
Investment income	602,046	56,348
Other income	891,878	678,619
(Losses)/gains from changes in fair value	(10,951)	2,197
Exchange gains/(losses)	10,287	(17,061)
Other operating income	989,078	525,610
Gains/(losses) from asset disposals	(100,127)	220,448
Total Operating Income	30,384,539	29,826,883
Operating expenses		
Interest expenses	14,834,728	14,230,022
Operating lease expenses	9,096,672	9,698,578
Fee and commission expenses	304,832	221,422
Taxes and surcharges	179,546	131,627
Operating and administrative expenses	752,352	708,860
Impairment losses	1,066,603	832,729
Total Operating Expenses	26,234,733	25,823,238
Operating profit	4,149,806	4,003,645
Add: Non-operating income	10,886	476
Less: Non-operating expenses	827	120,880
Profit before taxation	4,159,865	3,883,241
Less: Income tax expenses	1,605,870	1,423,821
Net profit for the year	2,553,995	2,459,420
Attributable to:		
Owners of the Company	2,554,110	2,395,687
Non-controlling interests	(115)	63,733
Other comprehensive income, net of tax	289,731	281,758
(I) Other comprehensive income (net of tax) attributable to owners of the Company	284,128	276,273
1. Items that will not be reclassified to profit or loss		
Changes in fair value of investments in other equity instruments	(130,646)	2,804
2. Items that may be reclassified to profit or loss		
(1) Changes in fair value of other debt investments	5,900	(248,547)
(2) Allowance for impairment losses of other debt investments	5,888	62,918
(3) Translation differences arising from translation of foreign currency financial statements	406,436	459,098
(4) Other comprehensive income recognised under the equity method	(3,450)	–
(II) Other comprehensive income (net of tax) attributable to non-controlling interests	5,603	5,485
Total Comprehensive Income for the year	2,843,726	2,741,178
Attributable to:		
(I) Owners of the Company	2,838,238	2,671,960
(II) Non-controlling interests	5,488	69,218

	Year ended 31 December	
	2024	2025
	(Restated)	
	(in RMB thousands)	
Operating income		
Finance lease income and interest income	9,733,458	8,162,274
Operating lease income	17,878,313	17,917,015
Fee and commission income	245,506	202,981
Investment income	56,348	57,613
Other income	678,619	184,270
Losses from changes in fair value	(7,035)	(122,764)
Exchange losses	(1,164)	(12,456)
Other operating income	527,465	137,457
Gains from asset disposals	65,648	1,413,696
Total Operating Income	29,177,158	27,940,086
Operating expenses		
Interest expenses	14,229,635	11,431,304
Operating lease expenses	9,750,633	10,118,755
Fee and commission expenses	222,629	184,226
Taxes and surcharges	142,891	172,680
Operating and administrative expenses	755,055	654,701
Impairment losses	917,507	2,073,780
Total Operating Expenses	26,018,350	24,635,446
Operating profit	3,158,808	3,304,640
Add: Non-operating income	476	42,152
Less: Non-operating expenses	120,880	73,096
Profit before taxation	3,038,404	3,273,696
Less: Income tax expenses	1,437,573	1,105,210
Net profit for the year	1,600,831	2,168,486
Attributable to:		
Owners of the Company	1,537,098	2,024,154
Non-controlling interests	63,733	144,332
Other comprehensive income, net of tax	105,727	(205,918)
(I) Other comprehensive income (net of tax) attributable to owners of the Company	100,242	(195,301)
1. Items that will not be reclassified to profit or loss		
Changes in fair value of investments in other equity instruments	2,804	87,453
2. Items that may be reclassified to profit or loss		
(1) Changes in fair value of other debt investments	(248,547)	149,067
(2) Allowance for impairment losses of other debt investments	62,918	34,835
(3) Translation differences arising from translation of foreign currency financial statements	283,067	(475,064)
(4) Other comprehensive income recognised under the equity method	–	8,408
(II) Other comprehensive income (net of tax) attributable to non-controlling interests	5,485	(10,617)
Total comprehensive income for the year	1,706,558	1,962,568
Attributable to:		
(I) Owners of the Company	1,637,340	1,828,853
(II) Non-controlling interests	69,218	133,715

CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP

	Year ended 31 December	
	2023	2024
	(Restated)	
	(in RMB thousands)	
I. Cash Flows from Operating Activities		
Net decrease in finance lease receivables, sale-and-leaseback receivables and prepayments	9,497,339	5,916,666
Cash received from finance lease income, interest income, fee and commissions	12,706,211	10,128,357
Cash received from operating lease rentals	16,589,186	17,340,498
Net increase in short-term borrowings	14,581,586	5,502,274
Net increase in repurchase agreements	1,629,021	297,470
Cash received from other operating activities	10,635,838	14,296,019
Subtotal of cash inflows from operating activities	65,639,181	53,481,284
Net increase in deposits with the central bank	(1,152)	(6,393)
Net increase in entrusted loans	(787,683)	(493,741)
Cash payments for interest of short-term borrowings, fees and commissions	(8,133,537)	(4,894,303)
Payment to and for employees	(298,122)	(337,200)
Payments of taxes	(1,084,137)	(1,320,788)
Cash paid for other operating activities	(2,168,651)	(4,490,643)
Subtotal of cash outflows from operating activities	(12,473,282)	(11,543,068)
Net cash flow from operating activities	53,165,899	41,938,216
II. Cash Flows from Investing Activities		
Proceeds on disposals of fixed assets, intangible assets and other long-term assets	8,578,279	8,488,610
Proceeds on disposals and recovery investments	1,214,437	123,528
Cash received from investment income	267,481	156,960
Proceeds on disposals of subsidiaries	552,319	11,826
Cash received from other investing activities	15,082	–
Subtotal of cash inflows from investing activities	10,627,598	8,780,924
Payment for acquisition of fixed assets, intangible assets and other long-term assets	(17,201,111)	(19,074,330)
Payments for investments	(6,580,058)	(11,270,300)
Subtotal of cash outflows from investing activities	(23,781,169)	(30,344,630)
Net cash flows from investing activities	(13,153,571)	(21,563,706)
III. Cash Flows from Financing Activities		
Proceeds from long-term borrowings	15,837,899	30,101,977
Proceeds from issuance of debt securities	6,560,803	13,068,097
Subtotal of cash inflows from financing activities	22,398,702	43,170,074
Repayments of long-term borrowings	(48,300,850)	(5,207,465)
Interest paid on long-term borrowings	(5,389,753)	(6,839,171)
Repayments of debt securities	(12,865,905)	(31,906,359)
Interest paid on debt securities	(2,327,397)	(2,550,034)
Repayments of lease liabilities	(3,271,949)	(9,337,612)
Subtotal of cash outflows from financing activities	(72,155,854)	(55,840,641)
Net cash flow from financing activities	(49,757,152)	(12,670,567)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	639,348	213,970
V. Net changes in cash and cash equivalents	(9,105,476)	7,917,913
Add: Cash and cash equivalents at the beginning of the year	24,778,814	15,673,338
VI. Cash and cash equivalents at the end of the year	15,673,338	23,591,251

	Year ended 31 December	
	2024	2025
	(Restated)	
	(in RMB thousands)	
I. Cash Flows from Operating Activities		
Net decrease in finance lease receivables, sale-and-leaseback receivables and prepayments	5,955,533	–
Cash received from finance lease income, interest income, fee and commissions	9,575,223	8,008,073
Cash received from operating lease rentals	17,495,479	17,392,968
Net increase in short-term borrowings	5,428,304	22,385,699
Net increase in repurchase agreements	297,470	416,043
Net decrease in entrusted loans	76,837	–
Net decrease in deposits with the central bank	–	19,355
Cash received from other operating activities	7,151,249	1,624,826
Subtotal of cash inflows from operating activities	45,980,095	49,846,964
Net increase in finance lease receivables, sale-and-leaseback receivables and prepayments	–	(4,296,091)
Cash payments for interest of short-term borrowings, fees and commissions	(4,903,521)	(4,829,292)
Payment to and for employees	(340,583)	(363,282)
Payments of taxes	(1,334,285)	(1,326,459)
Net increase in deposits with the central bank	(6,393)	–
Cash paid for other operating activities	(4,578,064)	(3,926,473)
Subtotal of cash outflows from operating activities	(11,162,846)	(14,741,597)
Net cash flow from operating activities	34,817,249	35,105,367
II. Cash Flows from Investing Activities		
Proceeds on disposals of fixed assets, intangible assets and other long-term assets	8,647,175	9,870,433
Proceeds on disposals and recovery investments	123,528	753,449
Cash received from investment income	168,786	165,501
Subtotal of cash inflows from investing activities	8,939,489	10,789,383
Payment for acquisition of fixed assets, intangible assets and other long-term assets	(19,074,330)	(19,083,917)
Payments for investments	(11,270,300)	(10,167,385)
Subtotal of cash outflows from investing activities	(30,344,630)	(29,251,302)
Net cash flows from investing activities	(21,405,141)	(18,461,919)
III. Cash Flows from Financing Activities		
Proceeds from investors	–	15,000,000
Proceeds from long-term borrowings	30,101,977	33,664,710
Proceeds from issuance of debt securities	13,068,097	4,628,599
Subtotal of cash inflows from financing activities	43,170,074	53,293,309
Repayments of long-term borrowings	(5,251,907)	(58,090,854)
Interest paid on long-term borrowings	(6,847,176)	(5,604,503)
Repayments of debt securities	(31,906,359)	(11,900,071)
Interest paid on debt securities	(2,550,034)	(1,100,877)
Repayments of lease liabilities	(2,359,037)	(905,588)
Subtotal of cash outflows from financing activities	(48,914,513)	(77,601,893)
Net cash flow from financing activities	(5,744,439)	(24,308,584)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	213,694	(316,670)
V. Net changes in cash and cash equivalents	7,881,363	(7,981,806)
Add: Cash and cash equivalents at the beginning of the year	15,777,766	23,659,129
VI. Cash and cash equivalents at the end of the year	23,659,129	15,677,323

RISK FACTORS

Prior to making any investment decision, prospective investors should consider carefully all of the information contained in the Offering Circular, including the risks and uncertainties described below. The business, financial condition or results of operations of the Issuer and the Group could be materially adversely affected by any of these risks. Each of the Issuer and the Company believes that the following factors may affect the Issuer's and/or the Company's ability to fulfil its obligations under the Notes and/or the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. Prospective investors should pay particular attention to the fact that the Company and its activities are governed by the legal, regulatory and business environment in the PRC, which differs from that of other countries. The risks and investment considerations as set forth below do not form an exhaustive list of the challenges which the Issuer and the Company currently face or may develop in the future. Additional considerations and uncertainties not presently known to the Issuer or the Company or which they currently deem immaterial may also have an adverse effect on an investment in the Notes. All of these factors are contingencies which may or may not occur and neither the Issuer nor the Company is in a position to express a view on the likelihood of any such contingency occurring.

Factors which each of the Issuer and the Company believes may be material for the purpose of assessing the market risks associated with the Notes are also described below. Each of the Issuer and the Company believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer and the Company to repay principal, interest or other amounts or fulfil other obligations on or in connection with the Notes and/or the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may occur for other reasons and neither the Issuer nor the Company represents that the statements below regarding the risks of investment in the Notes are exhaustive.

Risks Relating to the Business of the Group

The Group's revenue is influenced by macroeconomic conditions and a global or domestic economic slowdown could adversely impact the demand for the Group's leasing products and results of operation.

The Group's operating income is primarily generated by finance lease and operating lease. Variations in demand for airplanes, vessels and heavy equipment from airlines, shipping companies and manufacturers impact the Group's revenue. This demand for airplanes, vessels and heavy equipment is heavily influenced by the global and domestic economic environment. The PRC's economic growth has a positive impact on PRC consumer demand for leasing products, including those provided by the Group. However, a significant slowdown in the PRC or global economy could have a negative impact on infrastructure projects, the airline and shipping industries as well as consumer demand for equipment and machinery, which could greatly decrease the demand for finance leasing products, resulting in a downward pressure on the development of the Group's businesses, revenue and results of operations. For example, the PRC economy has experienced a slow down in recent years. The current restructuring of the economy and deeper reform initiatives in the PRC are expected to cause PRC economic growth to emphasise quality and efficiency. The GDP growth rate of the PRC decreased from 8.4 per cent. in 2021 to 3 per cent. in 2022, but increased to 5.2 per cent. in 2023. The GDP growth rate of the PRC expanded to 5 per cent. in 2024 and remained to be 5 per cent. in 2025, but it remains uncertain whether the GDP of the PRC will continue to increase in 2026 and beyond. The outlook for the world economy and macroeconomic conditions remains uncertain due to geopolitical uncertainty. Tensions between Russia, the U.S. and a number of European states have heightened significantly as a result of Russia-Ukraine geopolitical conflicts, which has the potential to escalate further and this could result in elevated geopolitical instability, trade restrictions, disruptions to global supply chains, increases in energy prices with knock-on global inflationary impacts, and a potential downturn in the global economy. The European Union (the "**EU**"), the United Kingdom (the "**UK**") and the United States, in a coordinated effort joined

by several other countries, imposed a variety of sanctions with respect to certain regions of Ukraine, Russia and various Russia-related parties. The geopolitical dynamic, the regulatory complexity across multiple jurisdictions and the rapid pace of change have created a volatile situation that may have an impact on the Group's business and operations. Moreover, the outbreak of conflict in Israel and Gaza in October 2023, along with the recent hostilities between Israel and Iran, have heightened the risk of instability in the Middle East region. The situation remains highly volatile and uncertain, which could have further repercussions for the global economy. In addition, the heightened military conflict involving the United States, Israel, and Iran, which escalated significantly in February 2026, has led to profound instability in global financial and energy markets. These events, including the closure of strategic airspaces and critical maritime routes such as the Strait of Hormuz and the Red Sea, have contributed to a dramatic increase in the price of oil and gas and created widespread market uncertainty.

Such geopolitical risks may have a material adverse impact on macroeconomic factors which affect the Group's business, financial condition and results of operations. The continuing tensions between the PRC and the United States, including ongoing trade disputes, the deterioration in diplomatic relations and the recent tariff imposed by United States President Donald Trump, have contributed to increased market volatility, weakened consumer confidence and diminished expectations for economic growth around the world. Some of these tensions have manifested themselves through actions taken and sanctions imposed by the governments of the United States and the PRC in recent years. The United States has imposed a range of sanctions and trade restrictions to target Chinese persons and companies in a number of sectors, focusing on entities the United States believes are involved in human rights violations, information technology and communications equipment and services, and military activities, among others. In response, the PRC has announced a number of sanctions and trade restrictions that target or provide authority to target foreign officials and companies, including those in the United States. Heightened geopolitical tensions between the United States and the PRC continue to cause significant uncertainty in the global macroeconomy, and the rhetoric surrounding the trade tensions and tariff wars continues to escalate as neither side has been willing to resume stalled trade negotiations. An amicable resolution to these trade disputes remains elusive, and the lasting impact that any trade war may have on the PRC economy is still uncertain.

Furthermore, global economic fluctuations have also had significant impacts on the global economy and on the Group. First, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia. Second, the interplay of U.S. fiscal and monetary policies, and aggressive quantitative easing programmes in Japan and Europe may lead to more volatile global capital flows, which could in turn impact global growth. Third, there might be long-lasting negative effects resulting from the UK's exit from the EU, could influence not only the UK and the EU but also the global economy. Fourth, the increasing inflationary pressures which has been triggered by a number of factors including liberal monetary policies, interruptions to the global supply chain caused by geopolitical conflicts, labour shortages and rising energy costs, may have severe consequences on the global economy such as increased costs of borrowings and production and lower business activities, which may in turn have a material adverse effect on the Group's business, financial condition and results of operations. Fifth, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on the Group's business, financial condition and results of operations. In early 2023, the global financial markets have experienced further turmoil with the collapse of Silicon Valley Bank, followed by Signature Bank and First Republic Bank and the crisis of Credit Suisse, which has resulted in greater uncertainty in the global macroeconomic environment.

Any severe or prolonged slowdown or instability in the global or PRC economy may materially and adversely affect the Group's business, financial condition and results of operations. If the PRC experiences any significant economic downturn and market volatility, the PRC leasing industry, as well as the Group's business, financial condition and results of operations, could be adversely affected.

Any inability to effectively mitigate credit risk and maintain the Group's asset quality may have a material adverse impact on the Group's business, financial condition and results of operations.

The sustainability of the Group's business and future growth depends largely on its ability to effectively manage its credit risk and maintain the quality of its receivables portfolio. As such, any deterioration in

its asset quality or impairment in the collectability of lease receivables could materially and adversely affect its results of operations. The Group's non-performing assets[1] to total assets as at 31 December 2023, 2024 and 2025 was 0.43 per cent., 0.37 per cent. and 0.35 per cent., respectively. The Group may not be able to effectively control the level of its non-performing assets in its current lease receivables portfolio or effectively control the level of new non-performing assets in the future. The amount of non-performing assets of the Group may increase in the future due to a substantial increase in its lease contract value, a deterioration in the quality of its lease receivables portfolio, or a decline in the quality of future receivables.

The quality of the Group's lease receivables portfolio may deteriorate for a variety of reasons, including factors beyond its control, such as a slowdown in the economic growth of the PRC or global economy, a recurrence of a global credit crisis or other adverse macroeconomic trends, as well as a slowdown in aviation, shipping, rail and any industries in which the Group primarily engages which may cause operational, financial and liquidity problems for its clients thereby affecting their ability to make timely lease payments. If the level of its impaired lease receivables increases, the Group's business, financial condition and results of operations may be materially and adversely affected.

The Group's financial leasing businesses are capital intensive with long payback periods. The Group may not be able to maintain sufficient liquidity to meet its business needs.

The Group primarily engages in aircraft leasing, equipment leasing and maritime leasing, all of which typically require significant initial cash outlays and have long payback periods. Due to the capital intensive nature of its business operations, a substantial amount of capital as well as ongoing funding activities are required to support the growth of the Group's lease receivables portfolio, as well as to fund future expansion. In order to continue meeting its cash requirements over the long term, the Group requires substantial liquidity and access to sources of funds. The Group primarily funds its operations and expansion through both domestic and foreign bank loans, bonds offerings and cash flow from its operations. In addition, the Company also relies on capital injection by its parent, ICBC, for the expansion of its business. From September 2009, ICBC has completed several rounds of capital injection into the Company with the amount of RMB3 billion in 2009, RMB3 billion in 2012 and RMB3 billion in 2014, respectively, increasing its share capital to RMB11 billion from RMB2 billion in 2007. In early 2018 and 2025, the Company has further increased its registered capital, leading to a paid-in capital of RMB33 billion as at 31 December 2025. If there are changes in international and/or domestic macroeconomic conditions and policies, or if the Group fails to maintain its existing and future loan arrangements on commercially acceptable terms, there is no guarantee that the Group will be able to continue to obtain adequate funding in the future on reasonable commercial terms, or at all. If sufficient financing is not available to meet its needs, or cannot be obtained on commercially acceptable terms, the Group may not be able to refinance its existing portfolio, fund the operation and/or expansion of its business, introduce new services or compete effectively.

The Group's concentrated exposure to a few sectors makes it particularly susceptible to the downturns of such sectors.

The leasing business of the Group is organised mainly around three sectors: (i) aircraft leasing business, (ii) domestic integrated leasing business and (iii) maritime leasing business. By concentrating its operations and investments in these sectors, the Group is susceptible to downturns in such sectors, which may result in its income and business conditions being adversely affected. As a result, events or circumstances adversely affecting these industries could adversely affect the Group's business, financial condition and results of operations and ability to service the Notes.

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1 The calculations for the ratio of non-performing assets to total assets for the relevant year were derived from the lease assets categorised under the Group's five-category classification system.

The Group has substantial indebtedness and may incur additional indebtedness. The Group is subject to refinancing risks associated with its existing indebtedness, which could affect its ability to satisfy its obligations under the Notes and other debt.

The Group's borrowings as at 31 December 2023, 2024 and 2025 were RMB267,004.93 million, RMB298,355.22 million and RMB291,931.25 million, respectively. The Group has, and will continue to have, after the offering of the Notes, a substantial amount of indebtedness. The aforementioned indebtedness could have important consequences to investors. For example, it could:

- limit the Group's ability to satisfy its obligations under the Notes and other debt in the event that the Group is unable to refinance all or a portion of its debt upon or before maturity;
- increase the Group's vulnerability to adverse general economic and industry conditions;
- require the Group to dedicate a substantial portion of its cash flow from operations to servicing and repaying indebtedness, thereby reducing the availability of cash flow to fund working capital, capital expenditures and for other general corporate purposes;
- limit the Group's flexibility in planning for or reacting to changes in its businesses and the industry;
- limit, along with the financial and other restrictive covenants of the Group's indebtedness, its ability to borrow additional funds; and
- increase the cost of additional financing.

The Group is subject to refinancing risks with respect to its existing indebtedness — in particular, the short-term borrowings due within one year. The Group's ability to refinance its short-term borrowings may be materially and adversely affected if, for example, its leasing income fails to grow as expected or the Group is unable to negotiate new bank loans on favourable terms or at all. If the Group is unable to refinance any of its existing debt, it could materially and adversely affect the ability to satisfy its obligations under the Notes and other debt. The Group can give no assurance that it will be able to refinance its existing indebtedness upon or before maturity on favourable terms or at all.

The Group may from time to time incur additional indebtedness and contingent liabilities, including by way of notes offerings and/or the offering of asset-backed securities. If the Group or its subsidiaries incurs additional debt, it could face additional risks.

In addition, certain of the Group's financing arrangements also impose operating and financial restrictions on its business. Such restrictions may impair its ability to react to changes in market conditions, take advantage of business opportunities, obtain future financing, fund required capital expenditures, or withstand a continuing or future downturn in business. Any of these factors could materially and adversely affect the Group's ability to satisfy its obligations under the Notes and other debt.

Increases in the cost of funding may adversely affect the Group's financial results.

Interest rate fluctuations and changes in the cost of funding may have a significant influence on the financial performance of the Group. Any increase in financing costs will have a negative impact on the Group's profitability. A significant portion of the Group's RMB financings is denominated at fixed interest rate, and a significant portion of the Group's USD financings is denominated at floating interest rate. Therefore, interest rates are a major factor in any increase in cost of funding. The fluctuations in interest rate are influenced by a variety of factors such as central banks' monetary policies, global

economic conditions, market liquidity, the supply and demand for credit within the banking system, geopolitical events and regulatory changes.

There can be no assurances that interest rates or the relevant reference rates will not further increase in the future. Other factors that may affect the cost of funding include the credit ratings of ICBC and the Company and efficiency of the Group's liquidity management. Increased funding costs have a direct effect on the Group's profitability, and sustained increases in funding costs will materially and adversely affect the Group's results of operations.

The Group's ability to obtain debt financing, and the cost of debt financing are dependent, in part, upon the financial strength ratings assigned to it by lenders and rating agencies, and a downgrade of these ratings could adversely impact its financial performance.

The Group's ability to obtain debt financing, and the cost of debt financing, are dependent, in part, on the financial strength ratings assigned to it by lenders and rating agencies. Maintaining these ratings depends in part on strong financial condition and results of operations and in part on other factors, including the outlook of lenders and rating agencies on the sectors in which the Group conducts its businesses and overall market conditions. In April 2024, Fitch revised the outlook on China's long-term foreign-currency issuer default rating to 'negative' from 'stable' and later revised the outlook on six Chinese state banks, including ICBC, to "negative" from "stable". Further, in April 2025, Fitch downgraded the long-term foreign-currency issuer default rating of the PRC to "A (Stable)" from "A+ (Negative)", reflecting Fitch's expectations of a continued weakening of China's public finances and a rapidly rising public debt trajectory during the country's economic transition. A rating downgrade by lenders or by rating agencies may result in higher pricing or less favourable terms under debt financings. Rating downgrades may therefore make it more difficult for the Group to satisfy its funding requirements and may adversely impact its business and financial performance.

If ICBC ceases to maintain a controlling stake in the Group or otherwise withdraws its credit support, the Group's credit ratings and cost of funding could be adversely affected.

ICBC is the sole shareholder of the Group. The Group's corporate credit ratings of "A" by S&P, "A1" by Moody's and "A" by Fitch, while not guaranteed by ICBC, are partly dependent on the fact that the Group is wholly owned by ICBC and on the perception that credit support from ICBC will continue. If ICBC ceases to maintain a controlling stake in the Group or otherwise withdraws its credit support, the ratings for debt issued under its global medium term note programme, as well as its corporate credit ratings, may be adversely affected, which could have a material adverse effect on its business, financial condition and results of operations.

ICBC may have interests or goals that are inconsistent with those of the Group's, which could cause it to direct the Group's business in a manner that is not in the best interests of the Group.

ICBC, as the sole shareholder of the Group, is able to direct the Group's corporate policies and nominate directors and officers. ICBC may have economic or business interests or goals that are inconsistent with those of the Group's. Such misalignment can lead to strategic decisions that might hinder the Group's development, such as prioritising short-term gains over long-term investments, or redirecting critical resources to other parts of ICBC's business. Furthermore, any reputational damage suffered by ICBC could negatively affect the Group's business, financial condition and results of operations.

The Group is exposed to risks associated with entering into contracts with public organisations, and its performance may be significantly affected by changes in government policies.

The Group's clients, in particular in its equipment leasing businesses, include agencies and entities owned, controlled by, or otherwise associated with local governments. However, in compliance with

regulatory guidance, the number of clients who are agencies and entities affiliated with local governments has been gradually decreasing over the years. Government policies historically have and will continue to have a big impact on the Group's equipment leasing business. Any changes in the government's budget, environmental laws or other policy considerations may result in reduced demand for the Group's equipment leasing business. Moreover, to the extent that the Group's clients are funded or supported by the government, may lead to client defaults or contract termination, which would adversely affect the Group's business, financial condition and results of operations, which in turn may potentially affect the Group's ability to meet its financial obligations.

The Group is subject to risks related to default payments and breaches by its lessees or other contractual counterparties.

The Group's success depends on the ability of its lessees to perform their contractual obligations under the leases. The ability of each lessee to perform its contractual obligations is, in turn, dependent on its financial condition and cash flow. If a lessee defaults, there can be no assurance that any security deposits paid under the lease is adequate to cover the lessee's unpaid lease obligations, or that the maintenance reserves collected during the lease term will be sufficient to cover the Group's maintenance expenses or the costs of re-leasing the associated assets.

Moreover, in relation to the Group's aircraft, domestic integrated leasing and maritime leasing business, it is primarily the responsibility of the lessees to maintain such aircraft, big-ticket equipment and vessels and their respective records in accordance with the manufacturers' recommended maintenance programmes and to comply with all governmental regulatory requirements. The maintenance of such aircraft, big-ticket equipment and vessels during the lease term and their condition at the maturity of the lease may affect their future rental or value. Failure of the lessee to perform the required or recommended maintenance may also result in the aircraft being grounded or the equipment and vessels being rendered inoperative, which may result in the Group incurring substantial costs to restore the aircraft, equipment and vessels to an acceptable condition prior to the sale of the aircraft, equipment and vessels, and thus may have an adverse effect on the Group's business, financial condition and results of operations.

The Group is subject to risks related to the airline and shipping industries.

The Group serves as a lessor of aircraft, big-ticket equipment and vessels and is therefore exposed to cash flow risk from its operating leasing business throughout the leases durations, as well as equity risk related to the assets values within the financial leasing business. The Group is subject indirectly to the same set of risk factors as its lessees, which may affect the financial condition and cash flows of the lessees and their ability to perform their obligations under the leases. These risk factors include demand for air travel and marine transportation and air/marine cargo services, industry competition, competition from substitute services, airline/shipping revenue and cost structures, fluctuations in fuel prices, interest rates and foreign exchange rates, labour costs and union issues, maintenance costs, insurance costs, security costs, the impact of airline or maritime carrier bankruptcies and the effect of certain events such as wars, social unrest, pandemics, natural disasters, major accidents and acts of terrorism. The airline and shipping industries are also affected by government regulation of airline or marine operations and mergers and acquisitions, environmental regulation, airport and other infrastructural constraints, the availability of new or used aircraft or vessels for lease or purchase, the availability and cost of debt and equity capital to airlines or shipping companies. The Group's financial performance is dependent on the financial strength of its lessees and their ability to manage these risks effectively. To the extent that the Group's lessees experience negative effects from these risk factors, the Group may experience:

(a) a reduced demand for its aircraft or vessels and hence, lower lease rates or aircraft or ship values;

(b) a higher incidence of lease defaults resulting in higher legal and technical costs associated with the repossession of the aircraft or vessel and its records, as well as lost revenue from such idle aircraft or vessels;

(c) a need to restructure lease payments for delinquent airlines or shipping companies in financial difficulty which may result in lower lease revenues or the need to make provisions for rental amounts in arrears; or

(d) an inability to immediately place available aircraft or vessels on commercially viable terms and possibly incurring additional storage, insurance and maintenance costs resulting from the idleness of such aircraft or vessels and their preparation for re-lease.

Any of the above events could adversely affect the Group's business, financial condition and results of operations.

The Group is subject to various PRC and overseas regulatory requirements and the Group's failure to comply with such requirements could materially and adversely affect its business, financial condition, results of operations and reputation.

PRC regulatory authorities such as the NAFR and other overseas regulatory authorities oversee the Group's compliance with applicable regulatory requirements and guidelines. From time to time, weaknesses in certain areas of the Group's operations, such as risk management and internal controls, may be identified, which may result in sanctions, fines or penalties being imposed on the Group. There can be no assurance that the Group will be able to comply with all such requirements and guidelines at all times or that the Group will not be subject to sanctions, fines or other penalties in the future as a result of non-compliance. If sanctions, fines and other penalties are imposed on the Group for its non-compliance, the Group's business, financial condition, results of operations and reputation may be materially and adversely affected.

Also, there can be no assurance that existing policies, laws and regulations governing the financial leasing industry will not change in the future or that any such changes will not materially and adversely affect the Group's business, financial condition and results of operations nor can there be any assurance that the Group will be able to adapt to all such changes on a timely basis.

In addition, the aviation, shipping, rail and other industries, in which many of the Group's clients operate, and the operation of aircraft, equipment and vessels are subject to domestic and international regulatory controls as well as additional controls that various national or federal civil aviation authorities may impose, including, for example, the airworthiness directives for aircraft operated by airlines within the jurisdiction of such authorities. The regulatory authorities can suspend or revoke the licence granted to the Group's clients to operate their businesses for failure to comply with these regulations, which may result in the grounding of aircraft or interruption of business. Airlines operating in certain countries may also be subject to sanctions. If the business activities of any of the Group's lessees are disrupted due to failure to meet regulatory requirements or sanctions, the ability of such lessees to meet their lease obligations towards the Group may be adversely affected.

Finally, regulatory requirements and approvals may affect the Group's ability to sell the aircraft, equipment and vessels. For example, regulatory approvals are required for the import, re-export, deregistration or registration of aircraft in various jurisdictions. Certain jurisdictions set maximum age limits for aircraft being imported or registered. Subsequent changes in applicable laws may modify such requirements, or approvals previously granted may be withdrawn. These changes may adversely affect the ability of the Group to sell these aircraft and may impair the values of these aircraft and thus have an adverse effect on the Group's financial performance and its ability to meet its financial obligations.

Any deficiencies in the Group's risk management and internal control systems may materially and adversely affect the Group's business, financial condition and results of operations.

The Group has implemented a prudent risk management system to protect the long-term interests of its shareholders, clients and employees. However, the Group's risk management systems and internal control policies may not be effective in mitigating its exposure to all types of risk, including unidentified or unanticipated risks. Some risk management and control methods are based upon historical market behaviour and past events. As such, the Group may not be able to adequately identify or estimate future risk exposures, which could be significantly greater than indicated by measures based on historical data. Other risk management methods depend on evaluation of information regarding markets, clients or other relevant matters, which may be inaccurate, incomplete, obsolete or improperly evaluated. For instance, the information infrastructure in the PRC is still under development and there is no extensive and unified nationwide credit information system. Accordingly, the Group is only able to rely on publicly available resources and its internal resources to assess credit risks associated with a particular client. Such assessment may not be based on complete, accurate or reliable information. Furthermore, as the Group enters into new industry sectors, expands into new client segments or develops additional product and service offerings, it may not be in a position to adequately identify, predict and manage future risk exposures.

In addition, management of operational, legal or regulatory risks requires various sets of policies and procedures in order to accurately record and verify a large number of transactions and events. Such policies and procedures may not be fully effective. Any failure of the Group's risk management procedures or any failure to identify applicable risks may have a material adverse effect on its results of operations and financial condition.

Any decrease in the residual value of the aircraft, equipment or vessels that the Group finances could adversely affect its business, financial condition and results of operations.

Declines in the residual value of the aircraft, equipment or vessels financed by the Group may reduce the Group's earnings. The Group estimates the residual value of leased asset at the inception of a lease based on a number of factors, including historical sale prices, management's experience and any known significant market and product trends. The Group recognises the residual value of the leased aircraft, equipment and vessels (as the case may be), which is the estimated future market value of the leased asset at the maturity of the lease. If the estimated market value of the Group's leased assets declines significantly due to economic factors, obsolescence or other adverse circumstances, the Group may not realise the expected residual value of the leased assets, which could adversely affect the Group's business, financial condition and results of operations.

The Group has pledged certain lease receivables to secure its borrowings.

The Group has pledged certain of its lease receivables to secure some of its bank loans. If the Group defaults on such bank loans, the lenders may foreclose such leased receivables, which may disrupt and adversely affect the Group's business. Although the terms of the Group's indebtedness may limit the Group's ability to create certain security over its assets, there can be no assurance that the Group will not pledge its leased receivables to secure its borrowings in the future. There can also be no assurance that the Group will not default on any of its borrowings in the future. As at 31 December 2023, 2024 and 2025, the Group's lease receivables was RMB173,825.21 million, RMB166,719.92 million and RMB163,474.39 million, respectively.

The value of the collateral or guarantees securing the Group's leases and the assets underlying its leases which are disposed of upon repossession may be inadequate to cover related lease receivables.

To mitigate credit risk of its leases, the Group may request the lessees to provide guarantees and/or collaterals for the leases. Such guarantees and/or collaterals need to be negotiated on a case-by-case

basis, depending on the nature of the business of the relevant lessee. In the event of any material default on the lease payment terms, the Group is contractually entitled to enforce its security rights over any guarantee or collateral, and/or repossess and dispose of the assets underlying its leases to realise their value. However, the value of such collateral and/or assets underlying such leases to be disposed of may decline and may be materially and adversely affected by a number of factors, such as any damage, loss, oversupply, devaluation or reduced market demand. Similarly, a significant deterioration in the financial condition or creditworthiness of guarantors under the Group's guaranteed leases could significantly decrease any amount which the Group may be able to recover under such guarantees.

The Group's policies require periodic internal review of collaterals, guarantees and assets underlying its leases for impairment testing purposes. If the value of such collaterals, guarantees or assets underlying the Group's leases proves to be inadequate to cover the related lease receivables, the Group may need to obtain additional security from its clients or other sources, but there can be no assurance that it will be able to do so. Any decline in the value of such collateral, guarantees or assets underlying the Group's leases or the Group's inability to obtain additional security may result in impairment losses and require the Group to make additional impairment provisions against its lease receivables, which may in turn materially and adversely affect its business, financial condition and results of operations.

The Group may not be able to successfully enforce its rights to the underlying collateral or guarantees to its leases, or enforce its rights to repossess leased assets.

In the PRC, the procedures for liquidating or otherwise realising the collateral value of tangible assets and the procedures for enforcing the Group's rights to a guarantee or to repossess and dispose of the assets underlying its leases could be time-consuming and in practise it may be difficult to realise such collateral value, enforce the guarantee or repossess and dispose of assets underlying the Group's leases. Although the Group could apply to a PRC court in accordance with the PRC Civil Procedure Law for the attachment or disposal of any underlying collateral, the enforcement of a guarantee or the repossession of the assets underlying the Group's leases upon default, it is uncertain whether any judgement made by local courts would be enforceable due to the uncertainties of the PRC legal system governing such enforcement. In addition, under the PRC law, the Group's rights to any collateral securing its leases may be subordinated to other claims. For example, according to the PRC Enterprise Bankruptcy Law, claims for the amount that a company in bankruptcy owed its employees prior to 27 August 2006 (being the date of publication of the PRC Enterprise Bankruptcy Law), including, but not limited to, salaries, medical insurance and pension benefits, will have priority over the Group's rights to collateral, if not adequately provided for in liquidation proceedings. Therefore, upon any default of any lessee or any guarantor under the Group's lease, if the Group is unable to successfully enforce its right in respect of any collateral or any guarantee related to any assets underlying its leases to be repossessed and disposed of on a timely basis, it may have a material adverse effect on its asset quality, business, financial condition or results of operations.

The Group's provisions for impairment losses on lease receivables may not be adequate to cover future credit losses and may have a material adverse impact on the Group's business, financial condition and results of operations.

The Group makes provisions for impairment losses on lease receivables in accordance with PRC GAAP. As at 31 December 2023, 2024 and 2025, the Group's impairment coverage ratio[2] was 229.15 per cent., 274.86 per cent. and 250.40 per cent., respectively. This reflected both the growth of the Group's business operations and its approach to provisions in view of the macroeconomic environment. The amount of provisions for impairment losses on the Group's lease receivables is determined on the basis of its

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2 For 2023, Impairment Coverage Ratio = Provision for Impairment on Finance Lease Receivables/Finance Lease Receivables Impaired; for 2024 and 2025, Impairment Coverage Ratio = (Provision for Impairment on Finance Lease Receivables + Provision for Impairment on Operating Lease Receivables)/Finance Lease Receivables Impaired.

internal provisioning procedures and guidelines taking into account a number of factors, such as the nature and industry specific characteristics of the Group's clients and their creditworthiness, economic conditions and trends, write-off expenses, delinquencies and the value of underlying collateral and guarantees. As the Group's provisions require significant judgement and estimation, its allowance for impairment losses may not always be adequate to cover actual credit losses in its business operations. The Group's allowance may prove to be inadequate if unforeseen or adverse changes occur in the PRC economy or other economies in which the Group operates or if other events adversely affect specific clients, industries or markets. Under such circumstances, the Group may need to make additional provisions for its lease receivables, which could significantly reduce its profit and may materially and adversely affect its business, financial condition and results of operations.

The Group may not be able to sell or re-lease aircraft, equipment or vessels upon termination or expiry of an existing lease.

Upon termination or expiry of an existing lease, the Group needs to sell or re-lease such aircraft, equipment or vessel (as the case may be). There can be no assurance that the Group will be able to sell or re-lease the aircraft, vessel or equipment (as the case may be) at a price favourable to the Group. Factors that could affect the Group's ability to sell or re-lease aircraft, equipment or vessels include business cycles in the relevant industry, global and domestic financial market conditions, market disruption risks, market demand for the assets, transaction cost, such as tax and reinstalment cost, which could affect the liquidity, interest rates, the availability of funding sources and the recovery of lease receivables.

With respect to aircraft, equipment or vessels acquired or leased by the Group, in some leases, lessees have the discretion as to whether or not they wish to extend the lease after expiration of the initial lease term. In these circumstances, the Group will not be able to predict whether such lessees would exercise such an option. If a lessee decides not to extend, the Group may not be able to re-lease the relevant aircraft, equipment or vessels on similar terms in a timely manner. The Group's ability to lease aircraft, equipment and vessels and re-lease aircraft, equipment and vessels on the expiration or termination of the initial leases, the lease hire payable under any renewal or replacement lease and the Group's ability to dispose of aircraft, equipment and vessels profitably will depend upon, among other things, the then-prevailing availability of lessees and economic conditions in the relevant market at that time. If the Group is unable to lease aircraft, equipment or vessels, the Group may be required to bear substantial costs and expenses for insurance, maintenance and compliance with government regulations. If the Group receives less income as a result of lower lease hire under replacement leases or is unable to lease the aircraft, equipment and vessels upon expiry of the initial leases, there may be a material adverse effect on the Group's business, results of operations and financial condition.

The Group depends on its key senior management members and key senior officers and may have difficulty attracting and retaining skilled employees.

The Group's financial leasing business is a highly specialised area which requires professional knowledge and know-how in business areas including, but not limited to, finance, accounting, international trade, insurance, aviation, shipping and other related industries and various areas of law. The Group's success depends, to a significant extent, on the abilities, expertise and dedication of its key senior management members, senior officers and skilled employees. There is significant competition for such talent. If such key personnel leave the Group to join other employers, including the Group's competitors, the Group may face difficulties employing and assimilating suitable replacement personnel in the short term. In addition, the Group's continued success also depends on its ability to attract and retain qualified personnel to manage its existing operations and future growth. Qualified individuals are in high demand and the Group may not be able to successfully attract, assimilate or retain all of the personnel it needs with the required industry expertise. The Group may also need to offer superior compensation and other benefits to attract and retain key personnel and therefore there is no assurance that the Group's compensation and benefits payments will not increase unpredictably or at a greater rate

than its revenues. Failure to recruit, train, develop and retain personnel with the necessary qualifications may have a material adverse effect on the Group's business, financial condition and results of operations.

Malfunction or disruption to the Group's information technology systems may adversely affect the Group's business and operations.

The proper functioning of the Group's financial control, risk management, accounting, customer service and other data processing systems is important to its business. The Group has established its own internal back-up systems to carry on principal functions in the event of system failures. However, there can be no assurance that its operations will not be materially disrupted if any of the Group's systems fail due to, among other things, fire, natural disasters, power loss, software faults, computer virus attacks, conversion errors due to system upgrades or security breaches. The internal safety measures may not be effective in preventing any harm or damage resulting from risks threatening the Group's information technology systems. Any disruption to the Group's information technology systems could have an adverse effect on its business and operations.

The Group may not be able to detect and prevent fraud or other misconduct committed by its employees or third parties.

Fraud or other misconduct by former or current employees (such as unauthorised business transactions and breaches of its internal policies and procedures) or third parties (such as breach of law) may be difficult to detect and prevent and any investigation or penalty arising thereto could subject the Group to financial loss, sanctions imposed by governmental authorities and seriously damage its reputation. The Group's risk management systems, information technology systems and internal control procedures are designed to monitor its operations and overall compliance. However, there can be no assurance that it will be able to identify all non-compliance or suspicious transactions in a timely manner or at all. Furthermore, it is not always possible to detect and prevent fraud or other misconduct, and the precautions undertaken by the Group to prevent and detect such activities may not be effective. Hence, it is possible that fraud or other misconduct may have previously occurred but was undetected, or that fraud or other misconduct may occur in the future. Any failure to detect and prevent such illegal activities may have a material and adverse effect on the Group's business, financial condition and results of operations.

Any occurrence of natural disasters, outbreaks of contagious diseases in the PRC, acts of terrorism, wars or other natural or man-made calamities may have a material adverse effect on the Group's business, financial condition and results of operations.

Any occurrence of natural disasters or outbreaks of health epidemics and contagious diseases, including the coronavirus disease 2019 ("**COVID-19**"), avian influenza, Severe Acute Respiratory Syndrome ("**SARS**"), Ebola virus disease ("**Ebola**"), Middle East Respiratory Syndrome corona virus ("**MERS**"), H5N1 influenza, H1N1 influenza or H7N9 influenza, may adversely affect the Group's business, financial condition and results of operations. An outbreak of a health epidemic or contagious disease could result in a widespread health crisis and restrict the level of business activity in affected areas, which may in turn adversely affect the Group's business, financial condition and results of operations.

Moreover, natural calamities such as earthquakes, floods or tsunamis may devastate destinations and significantly reduce travel to affected areas for a period of time. The PRC has experienced natural disasters such as earthquakes, floods and drought in the past few years. Any future occurrence of severe natural disasters in the PRC may adversely affect its economy and in turn the Group's business, financial condition and results of operations. There is no guarantee that any occurrence of natural disasters or outbreak of COVID-19, avian influenza, SARS, Ebola, MERS, H5N1 influenza, H1N1 influenza, H7N9 influenza or other epidemics, or the measures taken by the PRC government or other countries in response to an outbreak of these epidemics, will not seriously interrupt the Group's operations or those of its customers, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Similarly, acts of God, acts of war, terrorist attacks, epidemics, political unrest, labour unrest and other similar events may result in political instability and volatility in the world financial and commodities markets. Terrorist attacks, pirate attacks, hijacking, war or armed conflicts, major accidents or the fear of such events could adversely affect the aviation and shipping industries and may have an adverse effect on the financial condition and liquidity of the Group's lessees, aircraft and vessel values and rental rates, and may lead to lease restructurings or repossessions, all of which could adversely affect the Group's business, financial condition and results of operations. In addition, many damages caused by acts of war, political unrest or similar events may not be covered by the Group's current insurance policies, causing adverse impact on the Group's results of operations.

The Group is subject to additional operating costs in certain circumstances.

The Group may incur other operational costs upon a lessee's default or where the terms of the lease require the Group to pay a portion of additional operating costs. Such costs, which can be substantial, may include:

(a) the costs of casualty, liability or war risk insurance and the liability costs or losses when insurance coverage has not been, or cannot be obtained as required, or is insufficient in amount or scope;

(b) the costs of licencing, exporting or importing leased assets, costs of storing and operating leased assets, airport taxes, custom duties, air navigation charges, landing fees and similar governmental or quasi-governmental impositions; and

(c) penalties and costs associated with the failure of lessees to keep the leased assets registered under all appropriate local requirements or obtain required governmental licences, consents and approvals.

The failure to pay some of these costs can result in liens on the aircraft, vessels or other leased assets or a loss of insurance. Any of these events could result in the grounding of the aircraft and prevent the sale or other use of the aircraft until the problem is resolved. This could adversely affect the Group's business, financial condition and results of operations.

The Group may not have, and cannot ensure that its lessees will maintain, adequate insurance coverage to cover potential liabilities or losses.

The Group generally requires its lessees to obtain specified levels of insurance and indemnify for, and insure against, liabilities arising out of their use and operation of the aircraft, equipment and vessels. Some lessees may fail to maintain adequate insurance coverage during a lease term, which, although in contravention of the lease terms, would necessitate the Group taking some corrective action, such as terminating the lease or securing insurance for the aircraft, equipment or vessel, either of which could adversely affect the Group's results of operations. In addition, the Group will obtain insurance for the aircraft, equipment and vessels owned by itself when they are not under any lease terms, and such insurance coverage may not be adequate to cover losses should they arise.

Furthermore, the Group has obtained insurance coverage for its business operations in accordance with market practise and legal requirements, and in respect of assets which it deems material for its operations. The Group faces various risks in connection with its businesses and may lack adequate insurance coverage or may have no relevant insurance coverage. In addition, the Group does not maintain business interruption insurance. As a result, its insurance coverage may be inadequate to cover such losses should they arise. Any such uninsured losses may materially and adversely affect its business, financial condition and results of operations.

There might be claims asserted against the Group, which may adversely affect its operation, financial condition and reputation.

Although under its leases the Group does not control the operation of its leased assets such as aircraft, equipment and vessel, its ownership of the assets could give rise, in some jurisdictions, to strict liability for losses resulting from their operation.

Lessees of the Group are normally required under the leases to indemnify the Group for, and insure against, among other things, liabilities arising out of the use and operation of the assets, including third party claims for death or injury to persons and damage to property for which the Group may be deemed liable. The lessees are also required to maintain public liability, property damage liability, and all risk and war risk insurance on the leased assets at agreed-upon levels.

There can be no assurance that the lessee's insurance, and any contingent insurance undertaken by the Group, will be adequate or sufficient to cover all types of claims that may be asserted against the Group. Any insurance coverage shortfall or default by lessees to fulfil their indemnification or insurance obligations, as well as the lack of available insurance, could reduce the proceeds upon an event of loss and could subject the Group to uninsured liabilities, any of which could have an adverse impact on the Group's financial performance and its ability to meet its financial obligations.

Failure to obtain, renew or retain licences, permits or approvals or failure to comply with applicable laws and regulations may affect the Group's ability to conduct its business.

The Group is subject to rules and regulations and is required to hold various licences, permits and approvals issued by relevant authorities for the operation of its businesses. Any infringement of legal or regulatory requirements, or any suspension or revocation of these licences, permits and approvals may have a material adverse impact on the Group's business and operations. In addition, the regulatory and licencing requirements within the PRC financial leasing industry are constantly evolving and the Group may be subject to more stringent regulatory requirements due to changes in the political or economic policies in the PRC. There can be no assurance that the Group will be able to satisfy such regulatory requirements or that it will be able to retain, obtain or renew relevant licences, permits or approvals in the future. Any failure to comply with the regulatory and legal requirements may hinder the Group's business operations and materially and adversely affect its results of operations and financial condition.

The Group derives a certain amount of business from international operations that are subject to foreign economic, legal and political uncertainties and security risks.

The Group manages the international business and assets that the Group operates and/or manages are located in countries and territories that are subject to rapidly changing economic and political conditions. As a result, the Group is exposed to various risks associated with conducting business in foreign jurisdictions and territories, including, among others, risks associated with:

- politics, including risks of loss due to civil unrest, acts of terrorism, acts of war, regional and global political or military tensions, strikes and strained or altered foreign or community relations related to China or other relevant countries;

- economic, financial and market instability, and credit risks, including, for example, those relating to the potential deterioration of the credit markets and other economic conditions in the United States and other countries;

- changes in foreign government regulations or policies and compliance with foreign laws and regulations, including applicable anti-bribery, anti-money laundering, anti-terrorism financing laws and regulations;

- trade restrictions or embargoes;

- sanctions imposed by certain countries targeting other countries or entities, such as sanctions imposed by the Office of Foreign Assets Control of the U.S. Department of the Treasury and the European Union;

- expropriation and nationalisation of the assets operated and/or managed by the Group in foreign jurisdictions; and

- lack of a well-developed or independent legal system in the foreign jurisdictions in which the Group has overseas operations, which may create difficulties in the enforcement of contractual rights.

The Group does not currently engage in any business dealings with persons that are subject to or the target of, or are located in countries which are the targets of, sanctions imposed by the U.S. or other jurisdictions. The Group has implemented internal control systems relating to business dealings to avoid conducting any business with sanctioned regimes, regions or organisations. However, the sanctions laws of the U.S. and other jurisdictions are evolving and change frequently, and there is no guarantee that the Group's internal control measures will be sufficient to track such changes in a timely manner. Any actual or perceived transaction with sanctioned persons or in sanctioned countries may damage the Group's reputation and materially and adversely affect the market price of the Notes.

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 other countries in certain respects, including the degree of government involvement, control 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.

The slowdown of the PRC's economy, caused in part by the recent challenging global economic conditions, may adversely affect the target industries in which the Group operates and result in a material adverse effect on the Group's business, results of operations and financial condition.

Most of the Group's revenue is derived from the provision of financial leasing services and extended value-added services. The Group relies primarily on domestic demand to achieve growth in its revenue. Such demand is materially affected by industrial development and the overall economic growth in the PRC as well as policy support for its target industries and for its financial services. Any deterioration of these industries in the PRC resulting from a global economic downturn or the PRC government's macroeconomic measures affecting these industries may have a material adverse impact on its financial performance. Furthermore, any deterioration in the financial condition of its clients in these industries or any industry-specific difficulties encountered by these clients could affect its business (such as the deterioration of the quality of its existing lease receivables and its ability to generate new leases), thereby materially and adversely affecting its business, financial condition and results of operations.

If the crisis in global financial services and credit markets were to persist, there would be no certainty as to its impact on the global economy, especially the PRC economy. As a result of global economic cycles, there can be no assurance that the PRC economy will grow in a sustained or steady manner. Any slowdown or recession in the PRC economy may affect the Group's ability to secure new leases and contracts and its ability to obtain sufficient financing, which may in turn have a material adverse effect on its business, results of operations and financial condition. Please also refer to "*Risk Factors — Risks Relating to the Business of the Group — The Group's revenue is influenced by macroeconomic conditions and a global or domestic economic slowdown could adversely impact the demand for the Group's leasing products and results of operation*".

The Group's operations are subject to the impact of the PRC legal system and its laws and regulations.

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. 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, interpretation and enforcement of laws and regulations vary, which 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, which may affect the legal protections and remedies that are available to the Group in its operations and to holders of the Notes.

The Group's historical financial information may not be indicative of its current or future results of operations and investors should exercise caution in comparing financial data between years or periods due to changes in accounting standards and/or scope of consolidation.

The historical financial information of the Group is sometimes adjusted or restated to address subsequent changes in accounting standards, the Group's accounting policies and/or applicable laws and regulations with retrospective impact on the Group's financial reporting. There can be no assurance that the historical financial information were or will be indicative of what the Group's results of operations, financial condition or cash flow will be in the future or that financial information is comparable on a year-to-year basis. For example, the Company acquired control of entities through business combinations involving

enterprises under common control in 2024 and 2025. As a result, the comparative financial information as at and for the year 31 December 2023 in the Group 2024 Audited Financial Statements and as at and for the year ended 31 December 2024 in the Group 2025 Audited Financial Statements has been restated respectively. See "*Note III. 25 — Scope of consolidated financial statements*" of the Group 2024 Audited Financial Statements and the Group 2025 Audited Financial Statements for further details. Investors must therefore exercise caution when making comparisons between such financial data when evaluating the Group's financial condition and results of operations.

Risks Relating to the Issuer

The Issuer has no business activities of its own and will be dependent on funds from other Group entities to make payments under the Notes.

The Issuer was established in December 2013 specifically for the purpose of raising funds through the issue of securities or entering into loans, and will on-lend the net proceeds from issue of the Notes to companies within the Group. The Issuer may suffer a loss from time to time. The Issuer does not and will not have any material assets, but it will receive repayments from companies within the Group in respect of loans made by the Issuer to those companies, which will be the only material sources of funds available to meet its payment obligations under the Notes. As a result, the Issuer is subject to all the risks to which the Group and companies within the Group that will receive proceeds from the Notes are subject, to the extent that such risks could limit their ability to satisfy in full and on a timely basis their respective obligations to the Issuer under any such loans.

Risks Relating to the Industry

The Group operates in a competitive market environment where highly specialised expertise is required for the efficient management of assets.

The financial leasing business is a highly competitive industry. The Group faces competition from both international and domestic players (including the financing divisions of vendors, manufacturers of aircraft, vessels and equipment, financial institutions including banks, hedge funds and private equity firms, other leasing companies including those not affiliated with banks and not regulated by NAFR, aircraft brokers, as well as airlines) in its business, and competes with them in capturing new business opportunities. Some of the Group's competitors may have significant financial resources, marketing and other capabilities, more extensive know-how and business relationships and longer operating track records. The Group competes with its competitors on the basis of availability of product types that meet clients' needs, delivery dates, lease rates, lease terms, maintenance reserves and condition of assets under lease. The Group's revenue is affected by these competitive factors and its success depends on its ability to compete effectively. In addition, the financial leasing business also requires specialised expertise and extensive experience. For example, in the aircraft financing business of the Group, there is a high percentage of operating leases. As the Group expands and grows in the past several years, its assets increase and the leases begin to expire, and it has become increasingly difficult to lease and manage older assets. Furthermore, with the growth of the business, the Group's asset portfolio has also become increasingly diversified into different types and industries, requiring highly specialised expertise and skilled employees to manage the different assets efficiently.

The industries in which the Group is engaged are cyclical.

A significant part of the Group's net lease receivables is related to the transportation industry. The transportation industry is highly cyclical with demand for and supply of vessels to be leased or sold affected by several factors, including global and regional economic and political conditions, changes in regulatory regimes, strikes or armed conflicts, extreme weather conditions and piracy. These factors are beyond the Group's control and the nature, timing and degree of changes in industry conditions are

largely unpredictable. Any decrease in demand for the Group's services in the transportation industry due to cyclical downturns could result in extensive client defaults, decreased revenue and an inability to grow or maintain its business, and could materially and adversely affect its business, results of operations and financial condition.

Changes in interest rates and currency exchange rates could have an adverse effect on the Group's business, financial condition and results of operations.

Interest rate fluctuations may have a significant influence on the financial performance of the Group. Any changes in interest rates will impact the Group's borrowing costs. The Group may be susceptible to interest rate volatility if it is unable to match its floating rate liabilities with floating rate payments or secure appropriate hedges for the same. Any decision by the United States Federal Reserve to increase interest rates may also cause interest rates to rise generally which would negatively impact the Group's funding costs and its profitability. While the Group's exposure to interest rate volatility may be hedged through the use of interest rate swaps and interest caps, the magnitude of the final exposure depends on the effectiveness of the hedge.

In addition, the Group's financial leasing business may be adversely affected by a decrease in interest rate spreads resulting from the further marketisation of interest rates, causing adverse impact on its profitability and results of operations.

Changes in currency exchange rates may adversely impact the Group's financial condition and results of operations. The Group receives rental income and makes purchase payments in various currencies such as Renminbi and U.S. dollars, and fluctuations in exchange rates may reduce the Group's earnings and cash flow.

The value of the Renminbi against the U.S. dollar and other currencies may fluctuate significantly and is affected by, among other things, domestic and international economies, political conditions and supply and demand of currency. On 21 July 2005, the PRC government changed its policy of pegging the value of the Renminbi to the U.S. dollar. Under the new policy, the Renminbi is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. This change in policy resulted in an appreciation in the value of the Renminbi against the U.S. dollar. On 11 August 2015, the PBOC adopted a more market-oriented approach and announced that the midpoint for the value of the Renminbi against the U.S. dollar would be quoted by the market makers with reference to the closing rate of the previous trading session. This resulted in a nearly 2 per cent. devaluation of the Renminbi against the U.S. dollar on the same day. Since April 2019, the value of Renminbi has depreciated in value against the U.S. dollar by more than 5 per cent. amidst an uncertain trade and global economic climate. In August 2019, the PBOC set the Renminbi's daily reference rate above 7 per U.S. dollar for the first time in over a decade amidst an uncertain trade and global economic climate. Since June 2020, Renminbi has been experiencing another round of appreciation against U.S. dollar. However, as at 31 August 2023, the Renminbi was around 4.2 per cent. weaker against the U.S. dollar than it was a year ago. It is possible that the PRC government could make further adjustments to the currency policy, which could result in further and more significant revaluations of the Renminbi against the U.S. dollar or any other foreign currency. As a portion of the Group's loans are denominated in currencies other than Renminbi, fluctuations of the Renminbi against any such currencies could have an adverse effect on the Group's business, financial condition and results of operations.

Disruptions or volatility in global and domestic financial markets could adversely impact the industries and markets in which the Group serves and operates.

The Group is a leasing company specialising in providing customised leasing services including aviation financing, maritime financing and domestic integrated leasing, and is largely dependent on the growth of the Group's target industries, including the aircraft, shipping and equipment industries. The demand for the Group's services is substantially influenced by general global and domestic economic conditions. Global and domestic economic conditions may cause volatility and disruptions in the capital and credit markets.

The global economic slowdown and turmoil in the global financial markets that started in the second half of 2008 have had a negative impact on the world economy. Since then, the PRC and many other foreign economies have shown signs of recovery. In 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these European nations to continue to service their sovereign debt obligations. On 6 August 2011, S&P downgraded the rating for long-term U.S. debt to "AA+" from "AAA" for the first time in 70 years. The downgrade of U.S. debt by S&P, coupled with the economic turmoil in Europe and other parts of the world, could lead to another global economic downturn and financial market crisis.

The outlook for the PRC and world economy and financial markets remains uncertain. The PRC's economic growth may slow down due to weakened exports. In December 2023, Moody's changed its outlook on China's long-term foreign-currency issuer default rating to "negative" from "stable", reflecting Moody's expectation that economy-wide debt in the PRC will continue to rise as potential growth slows. Further, in April 2025, Fitch downgraded the long-term foreign-currency issuer default rating of the PRC to "A (Stable)" from "A+ (Negative)", reflecting Fitch's expectations of a continued weakening of China's public finances and a rapidly rising public debt trajectory during the country's economic transition. As a result, each of Moody's and Fitch has changed their respective rating outcomes on a number of PRC issuers, including but not limited to government-owned corporate entities and subsidiaries. If the crisis in global financial services and credit markets and the turmoil in financial markets were to persist, there is no certainty as to its impact on the global economy, especially the Chinese economy. Please also refer to "*Risk Factors — Risks Relating to the Business of the Group — The Group's revenue is influenced by macroeconomic conditions and a global or domestic economic slowdown could adversely impact the demand for the Group's leasing products and results of operation*".

Should global or domestic economic conditions deteriorate or access to credit markets be reduced, the Group and its clients could experience reduced levels of liquidity and increased credit spreads. For example, during the financial crisis arising out of the European sovereign debt crisis and slow economic growth in developed economies, certain clients of the Group experienced reduced liquidity, credit and credit capacity, which resulted in reduced demand for the Group's services.

The extent of any impact on the Group's ability to meet funding or liquidity needs would depend on several factors, including its operating cash flows, the duration of any market disruptions, changes in counterparty credit risk, the impact of government intervention in financial markets including the effects of any programmes or legislation designed to increase or restrict liquidity in certain areas of the market, general credit conditions, the volatility of equity and debt markets, any credit ratings and the credit capacity of the Group and the costs of financing and other general economic and business conditions. Market disruption and volatility may also lead to a number of other risks, including, but not limited to:

- market developments that may affect client confidence, reduce the demand for financing services or cause increases in delinquencies and default rates, which could increase the Group's write-offs and provisions for credit losses;

- the process the Group uses to estimate losses from its credit exposure requires a high degree of management judgement regarding numerous subjective, qualitative factors, including forecasts of economic conditions and how economic predictors might impair the ability of its clients to perform their contractual obligations under the leases. Financial market disruption and volatility may reduce the accuracy of the Group's judgements;

- the Group's ability to engage in routine funding transactions or borrow from other financial institutions on acceptable terms, or at all, could be adversely affected by disruptions in the capital markets or other events, including actions by rating agencies and a deterioration in investor expectations; and

- the ability of the Group's funding counterparties to provide funding could be adversely affected by market volatility or disruptions in the equity and credit markets.

Therefore, any market disruption or volatility may materially and adversely affect the Group's business, financial condition and results of operations.

There can be no assurance of the accuracy or comparability of facts, forecasts and statistics contained in this Offering Circular with respect to the PRC, its economy or its financial leasing industry.

Facts, forecasts and statistics in this Offering Circular relating to the PRC, the PRC's economy and the financial leasing industry, including its market share information, are derived from various official and other publicly available sources which are generally believed by the Issuer and the Group to be reliable. However, there can be no assurance as to the quality and reliability of such official source materials. In addition, these facts, forecasts and statistics have not been independently verified by the Issuer, the Group, the Arrangers, the Dealers, the Trustee, the Agents or their respective advisers and therefore none of the Issuer, the Group, the Arrangers, the Dealers, the Trustee, the Agents or their respective advisers makes any representation as to the accuracy or fairness of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside the PRC and may not be complete or up to date. Each of the Issuer and the Group has taken reasonable care in reproducing or extracting the information from such sources. However, because of possibly flawed or ineffective methodologies underlying the published information or discrepancies between the published information and market practise and other problems, these facts, forecasts and other statistics may be inaccurate or may not be comparable from period to period or be comparable to facts, forecasts or statistics produced for other economies and should not be unduly relied upon.

Risks Relating to the Notes

The Notes are unsecured obligations of the Issuer.

As the Notes are unsecured obligations, their repayment may be compromised if:

- the Issuer enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;

- there is a default in payment under the Issuer's secured indebtedness or other unsecured indebtedness; or

- there is an acceleration of any of the Issuer's indebtedness.

If any of these events were to occur, the Issuer's assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Notes.

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

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Each potential investor in the Notes 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 relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference (if any) in this Offering Circular or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and

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

Additionally, 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 (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Terms and Conditions of the Notes may be modified without the consent of all investors.

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders of the relevant series, including Noteholders of the relevant series who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority of the Noteholders of the relevant series. There is a risk that the decision of the majority of holders of the Notes of the relevant series may be adverse to the interests of individual Noteholders of the relevant series.

The Conditions provide that the Trustee may, without the consent of Noteholders of the relevant series agree to any modification of any of the Conditions or any of the provisions of the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement (other than in respect of Reserved Matters as defined in the Conditions), which in the opinion of the Trustee will not be materially prejudicial to the interests of the Noteholders of the relevant series. The Conditions also provide that the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders of the relevant series will not be materially prejudiced thereby.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream or the CMU, holders of the Notes will have to rely on their procedures for transfer, payment and communication with the Issuer.

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes and Global Certificates will be deposited with a common depositary of

Euroclear and Clearstream or with a sub-custodian for the CMU. Except in the circumstances described in the relevant Global Note or Global Certificate, holders of the Notes will not be entitled to receive definitive Notes. Euroclear, Clearstream and the CMU will maintain records of the beneficial interests in the Global Notes and the Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, holders of the Notes will be able to trade their beneficial interests only through Euroclear, Clearstream, the CMU and their participants.

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

Holders of beneficial interests in the Global Notes or the Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing systems to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes or the Global Certificates will not have a direct right under the respective Global Notes or the Global Certificates to take enforcement actions against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Trust Deed.

Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

Notes may be issued with a minimum denomination. The Pricing Supplement of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note or Global Certificate and the relevant Clearing System(s) so permit, the Notes will be tradable in nominal amounts (i) equal to, or in integral multiples of, the minimum denomination and (ii) the minimum denomination plus integral multiples of an amount lower than the minimum denomination. Definitive Notes will only be issued in certain circumstances such as if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announce(s) an intention to permanently cease business or does in fact do so. The Pricing Supplement may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and any Notes issued for lower amounts will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote) in respect of such Notes.

The Issuer may be unable to redeem the Notes.

On certain dates, including but not limited to the occurrence of a Change of Control and at maturity of the relevant series of Notes, the Issuer may, and at maturity will, be required to redeem all of the Notes of the relevant series. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes of the relevant series in time, or on acceptable terms, or at all. The ability to redeem the Notes of the relevant series in such event may also be limited by the terms of other debt instruments. Failure to redeem the Notes by the Issuer, in such circumstances, would constitute an Event of Default under the Notes of the relevant series, which may also constitute a default under the terms of other indebtedness of the Issuer, the Company or their subsidiaries.

The insolvency laws of Hong Kong and the PRC and other local insolvency laws may differ from those of another jurisdiction with which the holders of the Notes are familiar.

As the Issuer and the Company are incorporated under the laws of Hong Kong and the PRC, respectively, any insolvency proceedings relating to the Issuer or the Company, even if brought in other jurisdictions, would likely involve Hong Kong or PRC insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Notes are familiar.

If the Issuer or the Company is unable to comply with the restrictions and covenants in their respective debt agreements, there could be a default under the terms of these agreements, which could cause repayment of their respective debt to be accelerated.

If the Issuer or the Company is unable to comply with their respective current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer or the Company, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. Furthermore, some of the Issuer's or the Company's debt agreements may contain cross-acceleration or cross-default provisions. As a result, the Issuer's or the Company's default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Notes, or result in a default under the Issuer's or the Company's other debt agreements. If any of these events occurs, there is no assurance that their respective assets and cash flows would be sufficient to repay in full all of their respective indebtedness, or that the Issuer and the Company would be able to find alternative financing. Even if they could obtain alternative financing, they cannot assure holders that it would be on terms that are favourable or acceptable to them.

There may be less publicly available information about the Issuer, the Company and the Group than is available for companies in certain other jurisdictions.

Neither the Issuer nor the Company is a listed company and they are not required under the applicable laws and regulations to publish their financial statements or make periodic public announcements. Therefore, there is limited publicly available information about the Issuer, the Company and the Group. In making an investment decision, investors must rely upon their own examination of the Issuer, the Company, the Group and the terms of the offering.

The Trustee may request the Noteholders to provide an indemnity, security and/or pre funding to its satisfaction before taking actions.

Where the Trustee is, under the provisions of the Trust Deed, bound to act at the request or direction of the Noteholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security and/or pre-funding to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing. Negotiating and agreeing to an indemnity, security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security, in breach of the terms of the Trust Deed or the Conditions and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

The Notes are redeemable in the event of certain withholding taxes being applicable.

No assurances are made by the Issuer as to whether or not payments on the Notes may be made without withholding taxes or deductions applying from the Issue Date on account of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or the PRC or any subdivision or authority therein or thereof having power to tax. Although pursuant to the Conditions, the Issuer is required to gross up payments on account of any such withholding taxes or deductions (whether on account of enterprise income tax, value-added tax ("**VAT**") or otherwise), subject to certain exceptions, the Issuer also has the right to redeem the Notes at any time in the event (i) it has or will become obliged to pay additional amounts for or on account of any withholding or deduction at taxes imposed in excess of certain rates, as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC or any political subdivision or any authority therein or thereof having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which an agreement is reached to issue the first tranche of the Notes of the relevant series, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, as set out in the Conditions.

The Issuer may issue additional Notes in the future.

The Issuer may, from time to time, and without prior consultation of the Noteholders, create and issue further Notes. See "*Terms and Conditions of the Notes — Further Issues*". In addition, the Issuer may otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital-raising activity will not adversely affect the market price of the Notes.

Neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking is a guarantee of the payment obligations under the Notes and may not give rise to a debt claim or an order for specific performance in the event of any insolvency proceedings in relation to the Company, and the Trustee's claims thereunder may be subordinated to other obligations of the Company and its subsidiaries.

The Company has entered into a Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking in relation to the Notes, as further discussed in "*Description of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertakin*g". Pursuant to the terms of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Trustee may take action against the Company to enforce the provisions of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. However, neither the Keepwell and Liquidity Support Deed, nor the Deed of Asset Purchase Undertaking, nor any actions taken thereunder can be deemed as a guarantee by the Company of the payment obligation of the Issuer under the Notes and thus the Trustee's claims hereunder are effectively subordinated to the outstanding guaranteed obligations of the Company. Under the Conditions, the Issuer is free to incur future indebtedness guaranteed by the Company similar to such term loans, the creditors of which will have priority to the assets of the Company over the Trustee under the Notes. In addition, under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Company will be obliged to cause the Issuer to obtain, before the due date of the relevant payment obligations, funds sufficient by means as permitted by applicable laws and regulations so as to enable the Issuer to pay such payment obligations in full as they fall due, rather than assume the payment obligation as in the case of a guarantee.

Further, in the event of an insolvency of a Relevant Transferor, any sale proceeds received by that Relevant Transferor may be subject to the insolvency claims of third parties. The Trustee's claim against the sale proceeds will be an unsecured claim and may rank lower in priority to any claims by secured third-party creditors of such Relevant Transferor where it is the Issuer. Where a Relevant Transferor is not

the Issuer, the Trustee will not have a direct claim against the sale proceeds received by such Relevant Transferor. In addition, in the event of an insolvency of a Relevant Transferor, any transaction deemed to be undervalued may be set aside in insolvency proceedings.

Under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Company will undertake, among other things, to cause the Issuer to have sufficient liquidity to ensure timely payment of any amounts payable in respect of the Notes. However, any claim by the Issuer, the Trustee and/or Noteholders against the Company in relation to the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking will be effectively subordinated to all existing and future obligations of the Company's subsidiaries (which do not guarantee the Notes), particularly the onshore operating subsidiaries of the Company, and all claims by creditors of such subsidiaries (which do not guarantee the Notes) will have priority to the assets of such entities over the claims of the Issuer, the Trustee and/or Noteholders under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking.

Furthermore, the obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may not give rise to a debt claim or an order for specific performance in the event of any insolvency proceedings in relation to the Company, but may only give rise to a claim in damages. Such a claim in damages will be subject to proof of a breach of the Keepwell and Liquidity Support Deed and/or the Deed of Asset Purchase Undertaking, and proof of loss to the Issuer as a result of such breach. In addition, such a claim in damages where brought by the Issuer may not, depending on the specific circumstances of the breach, equal the amount of the debt and will not be the same as a claim for enforcing a guarantee, and may result in nominal damages only. Where the Company is insolvent or in liquidation, additional complexities and uncertainties may arise in any proceedings for the enforcement of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. As the parties to the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking have submitted to the exclusive jurisdiction of the Hong Kong courts, parties who have successfully obtained a judgement from Hong Kong courts in relation to a claim under a Keepwell and Liquidity Support Deed and a Deed of Asset Purchase Undertaking and wish to enforce such a judgement in the PRC may be able to do so pursuant to applicable law. However, it is currently uncertain as to whether such a judgement will be recognised and enforced by PRC courts where it relates to insolvency proceedings commenced in the PRC as the judicial practise in this area evolves. Consequently, even if the holders of the Notes or the Trustee have successfully obtained judgement in Hong Kong courts in relation to the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, there can be no assurance that the PRC courts will recognise and enforce such a judgement in insolvency proceedings relating to the Company. Accordingly, the holders of the Notes may have limited or no remedies if insolvency proceedings are commenced in relation to the Company in the PRC.

Additionally, recent judicial proceedings show that there may be certain limitations imposed on the types of claims that the issuer and/or the guarantor may raise against the keepwell provider but bondholders and the trustee of the relevant bonds could have standing to raise a claim themselves before the courts to look after their own interests in connection with the keepwell provider's obligations.

Performance by the Company of its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may, in certain circumstances, be subject to the approvals of the PRC authorities.

Even if the Company intends to perform its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, depending on the manner in which the Company performs its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking in causing the Issuer to obtain, before the due date of the relevant payment obligations, funds sufficient to meet its obligations under the Notes, such performance may be subject to obtaining prior consent, approvals, registration and/or filings from the relevant PRC governmental authorities,

including the National Development and Reform Commission ("**NDRC**"), the Ministry of Commerce of the People's Republic of China ("**MOFCOM**") and the State Administration of Foreign Exchange of the PRC (國家外匯管理局) ("**SAFE**"). Pursuant to the Notice of Guidelines for Foreign Exchange Operations under Capital Accounts (2024 Edition) (國家外匯管理局關於印發《資本項目外匯業務指引(2024年版)》的通知) (the "**2024 Notice**") issued by SAFE on 3 April 2024 which came into effect on 6 May 2024, any keepwell agreement that signifies an intention to offer a guarantee and is a guarantee in substance shall be treated as a guarantee provided by the onshore company, which in turn requires the onshore company to register such keepwell agreement with SAFE. The Keepwell and Liquidity Support Deed explicitly states that it is not a guarantee and should not be treated as such in any jurisdiction (including the PRC). In addition, in the Keepwell and Liquidity Support Deed, the Company makes no undertaking to pay the Trustee or the Noteholders in respect of the Issuer's payment obligation under the Notes. However, given the 2024 Notice is newly implemented, there is uncertainty as to how SAFE would interpret the 2024 Notice and as to how this would impact the enforcement of the Keepwell and Liquidity Support Deed. PRC counsel to the Issuer have confirmed that (i) if the assets to be purchased under the Deed of Asset Purchase Undertaking would be imported into the PRC, the relevant PRC governmental approvals or permits from PRC approval authorities, including, but not limited to, NDRC, Civil Aviation Administration of China, MOFCOM and the General Administration of Customs of the PRC (中華人民共和國海關總署), are required and (ii) if the purchased assets under the Deed of Asset Purchase Undertaking would not be imported into the PRC, and those assets would be leased by the Company after the purchase (falling within the ambit of the finance leasing laws in the PRC), the Company should register such lease at the local foreign exchange authority within 15 working days upon an external claim and there are no other Regulatory Approvals (as defined in the Deed of Asset Purchase Undertaking) required under the PRC laws. Although the Company is required to use all reasonable efforts to obtain any required consents and approvals in order to fulfil its obligations under the Deed of Asset Purchase Undertaking, there is no assurance that such consents or approvals will be obtained in a timely manner, or at all. In the event that the Company fails to obtain the requisite consents or approvals (if any) or and the Company is otherwise unable to cause the Issuer to obtain funds sufficient to meet its obligations under the Notes by other means, the Issuer may not have sufficient funds to discharge their outstanding payment obligations to the holders of the Notes.

Performance by the Company of its undertaking under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may be subject to consent from third-party creditors and shareholders, and may also be restricted if any of the assets are secured in favour of third-party creditors.

The ability of the Company to purchase or procure a subsidiary of the Company to purchase certain assets from one or more Relevant Transferors pursuant to the terms of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may be affected by any present or future financing agreements, lease agreements or other agreements of the Company and its subsidiaries:

- in the event that such financing agreements, lease agreements or other agreements contain non-disposal or other restrictive covenants that would prevent the sale of any asset by a Relevant Transferor, the Company and its subsidiaries would need to obtain the consent from the third-party creditor or counterparty, as the case may be, before the Relevant Transferor is able to proceed with the sale of such assets;

- in the event that such financing agreements, lease agreements or other agreements contain restrictive covenants that restrict the terms of any asset sale or purchase, such covenants would need to be complied with, or waivers therefrom would need to be obtained, in connection with any sale and purchase of assets; and

- in the event that certain assets have been secured in favour of third-party creditors, the Company and its subsidiaries would need to arrange for these security interests to be released before the Relevant Transferor is able to proceed with the sale of such assets.

Under the Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, there are no restrictions on ICBC Maritime, the Issuer or their subsidiaries entering into financing agreements, lease agreements or other agreements with such non-disposal or other restrictive covenants or securing the assets of any of ICBC Maritime and its subsidiaries in favour of its creditors. In the event the obligation to purchase assets under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking becomes effective, there is no assurance that ICBC Maritime, the Issuer or their relevant subsidiary will be able to obtain any required consents from its creditors or that it will be able to arrange for any existing security arrangement to be released in order for the sale of the assets to proceed.

If such consents or releases cannot be obtained, ICBC Maritime, the Issuer or their relevant subsidiary may need to repay the indebtedness owed to its third-party creditors in order to be able to sell the relevant assets to the Company, failing which, the Issuer may have insufficient funds to discharge their respective payment obligations to the holders of the Notes.

The proceeds realisable from the asset sale pursuant to the Deed of Asset Purchase Undertaking may not be sufficient to satisfy the Issuer's obligations under the Notes.

Under the Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, there are no restrictions on ICBC Maritime, the Issuer or their subsidiaries to dispose of any of their assets or any requirement to maintain a certain minimum value in respect of their assets. The holders of the Notes also have no security interest in any of such assets held by ICBC Maritime, the Issuer or their subsidiaries. Such assets may be sold and transferred to third parties outside the Group or depreciate in value over a period of time. Assets of ICBC Maritime and its subsidiaries may also be secured in favour of third-party creditors. There can be no assurance that upon the occurrence of a Triggering Event, there are sufficient assets held by ICBC Maritime, the Issuer or their subsidiaries available for sale to the Company or the designated purchasers, as the case may be.

Furthermore, the purchase price determined in respect of the assets to be purchased in the event of an asset sale pursuant to the Deed of Asset Purchase Undertaking will depend upon market and economic conditions and other similar factors and applicable laws. No independent appraisals of any assets held by ICBC Maritime, the Issuer or their subsidiaries have been prepared by or on behalf of the Company, ICBC Maritime or the Issuer in connection with the Programme or the offering of the Notes. Accordingly, there can be no assurance that the proceeds of any asset sale pursuant to the Deed of Asset Purchase Undertaking following a Triggering Event would be sufficient to satisfy, or would not be substantially less than, amounts due and payable on the Notes.

The Issuer is ultimately a state owned entity, but none of the PRC governmental bodies is an obligor under the Notes.

The Issuer is ultimately a state owned entity, but none of the PRC governmental bodies is an obligor under the Notes. The payment obligations under the Notes remain the sole obligations of the Issuer, and any such ownership or control by the PRC government does not necessarily correlate to, or provide any assurance as to, the financial condition of the Issuer. Under no circumstances shall any of the PRC governmental bodies have any obligation arising out of or in connection with the Notes in lieu of the Issuer.

ICBC Maritime is not obliged to provide liquidity support to the Issuer under the Keepwell and Liquidity Support Deed, or to transfer proceeds realised from the asset sale to the Issuer under the Deed of Asset Purchase Undertaking.

Under the Conditions and the Keepwell and Liquidity Support Deed, ICBC Maritime does not have any obligation to provide any liquidity support to the Issuer. Under the Conditions and the Deed of Asset

Purchase Undertaking, ICBC Maritime may, but is not obliged to, transfer proceeds realised from the asset sale to the Issuer. Accordingly, there can be no assurance that ICBC Maritime will provide liquidity support to the Issuer, or that the proceeds of any asset sale by ICBC Maritime or its subsidiaries, if applicable, pursuant to the Deed of Asset Purchase Undertaking following a Triggering Event would be transferred to the Issuer to satisfy amounts due and payable on the Notes. In addition, investors should not place undue reliance on the obligations of the Company to provide liquidity support to ICBC Maritime under the Keepwell and Liquidity Support Deed and the obligations of the Company to purchase any assets from ICBC Maritime under the Deed of Asset Purchase Undertaking.

The Company may issue notes or provide guarantees for notes of the Issuer or other subsidiaries of the Company in the future without consent from any holder of the Notes issued under the Programme and without providing a guarantee or other direct obligation to the holder of the Notes.

The Company has entered into the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking in connection with the issuance of the Notes, which do not constitute a direct or indirect guarantee of the Notes by the Company. See "*Description of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking*". The Conditions issued under the Programme do not prohibit the Company from issuing notes or provide guarantees for notes of the Issuer or other subsidiaries of the Company in the future. As a result, the Company may, without consent from any holder of the Notes, issue notes or guarantee notes issued by the Issuer or subsidiaries of the Company in the future, without (i) providing any unsubordinated guarantee or indemnity in respect of the Notes, or (ii) offering to exchange the Notes for securities issued by the Company with terms substantially identical to those of the Notes. In the event that the Company decides to issue notes or guarantee notes issued by its subsidiaries or the Issuer in the future, holders of such notes issued or guaranteed by the Company will have a direct claim against the Company, while the holders of the Notes issued under the Programme do not.

Under the Enterprise Income Tax law of the PRC (the "New EIT 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 result in it being subject to PRC enterprise income tax on its worldwide income and Noteholders being subject to PRC taxes (including PRC withholding tax).

Under the New EIT Law and its implementing regulation (the "**Implementing Regulations**"), which became effective on 1 January 2008, and latest amended on 29 December 2018, 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 are therefore subject to PRC enterprise income tax at the rate of 25 per cent. on their worldwide taxable 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 would 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' meetings 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 a circular, 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" by the final decision of the State Administration of Taxation through the application of the foreign enterprise or the investigation of the relevant tax authorities.

The Group confirms that, as of 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 Group will not be treated as "resident enterprises" under the New 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 purposes, among other things, it would be subject to the PRC enterprise income tax at the rate of 25 per cent. on its worldwide taxable income. Furthermore, if the Issuer were treated as a PRC resident enterprise, payments of interest by the Issuer may be regarded as 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 Notes to non-PRC resident enterprise investors. In the case of non-PRC resident individual investors, 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 Notes by non-PRC resident investors may be regarded as derived from sources within the PRC and may be subject to a 10 per cent. PRC income tax in the case of non-PRC resident enterprises or 20 per cent. in the case of non-PRC resident individuals. The PRC tax on interest or gains may be reduced under applicable tax treaties. For example, according to an arrangement between Mainland China and Hong Kong for the avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes.

If the Issuer is required to withhold PRC tax from interest payments on the Notes, the Issuer will be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holders of the Notes 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 Notes and could have an adverse effect on the Issuer's financial condition.

Due to uncertainties in the interpretation of certain provisions of the new VAT regime in the PRC, the issuance of the Notes may be treated as provision of loans within the PRC that is subject to VAT, the Issuer may be required to withhold VAT from the payment of interest income to holders of Notes located outside of the PRC, and there is uncertainty as to the applicability of VAT in respect of a sale or exchange of the Notes.

On 23 March 2016, the Ministry of Finance and the State Administration of Taxation issued the Circular of Full Implementation of Business Tax to VAT Reform (《關於全面推開營業税改徵增值税試點的通知》) (Caishui [2016] No. 36, "**Circular 36**") confirming that business tax will be completely replaced by VAT from 1 May 2016. With effect from 1 May 2016, income derived from the provision of financial services, which previously was subject to business tax, is subject to VAT. On 25 December 2024, the National People's Congress of the PRC (the "**NPC**") issued the new Value-added Tax law (the "**New VAT Law**"), which is effective on 1 January. Pursuant to the New VAT Law, VAT is applicable where the entities or individuals provide services within the PRC. The revenues generated from the taxable sale of services by entities and individuals, such as financial services, shall be subject to PRC VAT, if the seller of the services is within the PRC or the services is consumed within the PRC (including services provided to the entities or individuals located within the PRC by the entities or individuals outside of the PRC). Thus, the Issuer may be obligated to withhold VAT on payments of interest and certain other amounts on the Notes paid by the Issuer to the Noteholders that are non-resident enterprises or individuals.

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

The Group confirms that, as of 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 Group will not be treated as resident enterprises or otherwise as located in the PRC for VAT purposes in the future and as a result be required to withhold VAT from the payments of interest in respect of the Notes for any Noteholders located outside of the PRC.

If the Issuer is required to withhold PRC tax from interest payments on the Notes, the Issuer will be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holders of the Notes 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 Notes and could have an adverse effect on the Issuer's financial condition.

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts. There is also no assurance that the PRC courts will recognise and enforce judgements of the Hong Kong courts in respect of English law governed matters or disputes.

The Notes, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken.

In addition, recognition and enforcement of a Hong Kong court judgment would be subject to the procedural requirements and public policy considerations as set forth in applicable provisions of the PRC laws relating to the enforceability of foreign court judgments, and could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC or such judgment could not satisfy certain requirements or conditions. While it is expected that the PRC courts will recognise and enforce a judgment given by the Hong Kong courts governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area. As the Trustee will be submitted to the exclusive jurisdiction of the Hong Kong courts under the Conditions, and thus the Trustee's ability to initiate a claim outside of Hong Kong will be limited.

On 18 January 2019, the Supreme People's Court of China (the "**SPC**") and the Hong Kong government signed 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 (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**"). The 2019 Arrangement came into effect on 29 January 2024. With some exceptions, the 2019 Arrangement applies to the reciprocal recognition and enforcement of effective judgments in civil and commercial cases between courts of the PRC and Hong Kong, and also applies to the reciprocal recognition and enforcement of effective judgments on civil compensation in criminal cases. Since the 2019 Arrangement has come into effect recently, the outcome and effectiveness of any action brought under the 2019 Arrangement are uncertain, and the result remains uncertain for holders of the Notes to effect service of process against of the Issuer, the Company or the Group onshore in order to seek recognition and enforcement for Hong Kong court judgments onshore.

In addition, recognition and enforcement of a Hong Kong court judgment could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC. While it is expected that the PRC courts will recognise and enforce a judgment given by a Hong Kong court and governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area.

Furthermore, although the Company has stated its intention to waive sovereign immunity in the relevant transaction documents, the Company, as a state-owned enterprise, may be entitled to immunity if it can demonstrate to the Hong Kong courts that it was acting under the control of the state at the time that it entered into the Conditions and the transaction documents. This will be a fact-sensitive analysis on a

case-by-case basis. The Trustee's ability to bring enforcement action against the Company in Hong Kong may be limited if the Company can demonstrate its entitlement to crown immunity and does not waive such immunity at the time of proceedings in the Hong Kong courts.

Risks Relating to the Structure of a Particular Issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features.

Notes subject to optional redemption by the Issuer may have a lower market value than Notes that cannot be redeemed.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At such times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed 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.

Dual currency Notes have features different from single currency Notes.

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time or in a different currency than expected; and
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero.

Index linked Notes have features from non-index linked Notes.

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). Potential investors should be aware that:

- they may lose all or a substantial portion of their principal;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any index linked Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any index linked Notes and the suitability of such Notes in light of its particular circumstances.

Failure by an investor to pay a subsequent instalment of partly paid Notes may result in an investor losing all of its investment.

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

The market price of variable rate Notes with a multiplier or other leverage factor may be volatile.

Notes with variable interest rates can be volatile securities. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Regulation of benchmarks may lead to future reforms or discontinuation.

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks have been subject to significant regulatory scrutiny and legislative intervention in recent years. This relates not only to creation and administration of benchmarks, but, also, to the use of a benchmark rate. In the EU, for example, Regulation (EU) No. 2016/1011, as amended (the "**EU Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the EU, subject to certain transitional provisions. Similarly, Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK Benchmarks Regulation**") applies to the provision of, the contribution of input data to, and the use of, a benchmark within the UK, subject to certain transitional provisions. Legislation such as the EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with the Euro Short Term Rates ("**€STR**") or an alternative benchmark.

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 5(b)(ix) (*Benchmark Replacement for Notes (other than Notes where the Reference Rate is specified as being SOFR Benchmark*)) or Condition 5(b)(x) (*Benchmark Replacement (SOFR Benchmark)*), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or

any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

Interest rate "fallback" arrangements may lead to Notes performing differently or the effective application of a "fixed rate".

If a relevant benchmark (including any page on which such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, occurs, the Conditions provide for certain fallback arrangements. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective.

Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. It is also possible that such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Moreover, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser (as defined in the Conditions) in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time. Additionally, in certain circumstances, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used, which may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page.

Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

Methodologies for the calculation of risk-free rates (including overnight rates or forward-looking rates) as reference rates for Floating Rate Notes may vary and may evolve.

"Risk-free" rates, such as the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOFR**") and the €STR, as reference rates for Eurobonds, have become more commonly used as benchmark rates for bonds in recent years. Most of the rates are backwards-looking, but the methodologies to calculate the risk free rates are not uniform. Such different methodologies may result in slightly different interest amounts being determined in respect of otherwise similar securities.

The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index or €STR that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. Such variations could result in reduced liquidity or increased volatility or might otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition potential investors should consider how any mismatch between applicable conventions for the use of reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

It is not possible to calculate interest rates in advance for Notes which reference SONIA, SOFR, €STR or any related indices.

Interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes.

Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 10 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

The administrator of SONIA, SOFR or €STR or any related indices may make changes that could change the value of SONIA, SOFR or €STR or any related index, or discontinue SONIA, SOFR or €STR or any related index.

Newer reference rates or any related indices and rates that fall outside the scope of the EU Benchmarks Regulation and UK Benchmarks Regulation may also be subject to changes or discontinuation. For example, the Bank of England, the Federal Reserve, Bank of New York or the European Central Bank (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

Inverse floating rate Notes are typically more volatile than conventional floating rate debt.

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the EURIBOR. The market values of such Notes are typically more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Notes carrying an interest rate which may be converted from fixed to floating interest rates and vice versa, may have lower market values than other Notes.

Fixed or floating rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the fixed or floating rate Notes may be less favourable than the then-prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the

new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the then-prevailing rates on its Notes.

The market prices of Notes issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Investors may lose part or all of their investment in any index linked Notes issued.

If, in the case of a particular Tranche of Notes, the relevant Pricing Supplement specifies that the Notes are index linked Notes or variable redemption amount Notes, there is a risk that the investor may lose the value of its entire investment, or part of it.

Credit ratings may not reflect all risks, and any credit rating of the Notes may be downgraded or withdrawn.

Each Tranche of Notes may be rated or unrated, as specified in the applicable Pricing Supplement and one or more independent credit rating agencies may assign credit ratings to an issue of Notes. The rating represents the opinion of the relevant rating agency and its assessment of the ability of the Issuer to perform its obligations under the Notes, and credit risks in determining the likelihood that payments will be made when due under the Notes. The ratings may not reflect the potential impact of all risks related to structure, market and additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. A reduction or withdrawal of a rating may adversely affect the market price of the Notes.

Risks Relating to the Market Generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk.

The Notes have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. There can be no assurance as to the liquidity of the Notes or that an active trading market will develop. The liquidity of the Notes could be affected by various factors, and in particular, if a limited number of investors subscribes for a significant portion of the Notes. Such investors may include the Issuer and entities affiliated with the Issuer. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances, investors may not be able to sell their Notes at all or at their fair market value. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Notes. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for the Notes.

This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, designed for specific investment objectives or strategies or that have been structured to meet the

investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Notes.

Changes in market interest rates may adversely affect the value of the Notes.

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Risks Relating to Renminbi-Denominated Notes

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and the Group's ability to source Renminbi outside of the PRC to service the Notes.

As a result of the regulations imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Since February 2004, in accordance with arrangements between the PRC government and the Hong Kong government, licenced banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The PBOC, the central bank of the PRC, has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of RMB Business (the "**Settlement Agreement**") between the PBOC and Bank of China (Hong Kong) Limited (the "**RMB Clearing Bank**") to further expand the scope of RMB business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open RMB accounts in Hong Kong; there is no longer any limit (other than as provided in the following paragraphs) on the ability of corporations to convert RMB; and there will no longer be any restriction on the transfer of RMB funds between different accounts in Hong Kong.

The current size of Renminbi-denominated financial assets outside the PRC is limited. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The RMB Clearing Bank only has access to onshore liquidity support from the PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services, and the participating banks will need to source Renminbi from the offshore market to square such open positions.

On 15 January 2013, the HKMA further enhanced the facility by reducing the notice period required for authorised institutions participating in Renminbi business ("**Participating AIs**") to request for Renminbi from two business days to one business day. Additional enhancements were announced on 25 July 2013 by the provision of one-day funds, available on the next day, which will continue to make use of the currency swap arrangement between the PBOC and the HKMA; and overnight funds, available on the same day, which will make use of the HKMA's own source of Renminbi funds in the offshore market.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future, which will have the effect of restricting the availability of Renminbi offshore. The limited availability of Renminbi outside of the PRC may affect the liquidity of the Notes. To the extent the Group is required to source Renminbi in the offshore market to service the Notes, there is no assurance that it will be able to source such Renminbi on satisfactory terms, if at all.

The Renminbi is not freely convertible; there are regulations on remittance of Renminbi into and outside the PRC.

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in August 2011 to cover the whole nation and to make Renminbi trade and other current account item settlement available in all countries worldwide. While the pilot scheme allows enterprises to settle the import trade in goods, cross-border service trade and other current account activities in Renminbi, only a limited number of enterprises could settle their export trade in goods in Renminbi under the pilot scheme. On 3 February 2012, PBOC, MOFCOM, the Ministry of Finance, the General Administration of Customs, the State Administration of Tax and the then CBRC jointly issued the Circular on Issues Concerning Administration over Enterprises Engaging in Renminbi Settlement of Export Trade in Goods (關於出口貨物貿易人民幣估算企業管理有關問題的通知), extending the Renminbi settlement to cover all duly qualified export enterprises trading in goods.

On 7 April 2011, SAFE promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (國家外匯管理局綜合司關於規範跨境人民幣資本項目業務操作有關問題的通知) (the "**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 payment 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 written consent of the competent commerce authority 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 (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 3 December 2013, MOFCOM promulgated the Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment (關於跨境人民幣直接投資有關問題的公告) (the "**MOFCOM RMB FDI Circular**") which became effective on 1 January 2014. Pursuant to the MOFCOM RMB FDI Circular, the proceeds of foreign direct investment in RMB may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies under the PRC strategic investment regime with the approval of MOFCOM pursuant to the Administrative Measures for Strategic Investment by Foreign Investors in Listed Companies (外國投資者對上市公司戰略投資管理辦法).

On 13 October 2011, the PBOC issued the Measures on Administration of the RMB Settlement in relation to Foreign Direct Investment (外商直接投資人民幣結算業務管理辦法) (the "**PBOC RMB FDI Measures**"), to roll out the PBOC's detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as RMB denominated cross-border loans.

Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC which was previously required is no longer mandatory. On 14 June 2012, the PBOC further issued the implementing rules for the PBOC RMB FDI Measures.

On 5 July 2013, the PBOC promulgated the Notice on Simplifying the Procedures of Cross-border Renminbi Business and Improving Relevant Policies (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the "**Notice**"), which simplifies the operating procedures on current account cross-border Renminbi settlement, provision of Renminbi outbound loans and Renminbi cross-border security in favour of offshore entities by onshore non-financial institutions, and further publishes policies with respect to bank card related cross-border Renminbi clearing and issuance of offshore Renminbi bonds by onshore non-financial institutions. The Notice intends to improve the efficiency of cross-border Renminbi settlement and facilitate the use of cross-border Renminbi settlement by banks and enterprises.

Pursuant to the Notice of State Administration of Foreign Exchange on Improving the Cheque of Authenticity and Compliance to Further Promote Foreign Exchange Control (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 Circular 3) promulgated on 26 January 2017, when conducting outward remittance of a sum equivalent to more than US$50,000 for a domestic institution, the bank shall, under the principle of genuine transaction, cheque the profit distribution resolution made by the board of directors (or profit distribution resolution made by partners), original of tax filing form and audited financial statements, and stamp with the outward remittance sum and date on the original of tax filing form. In addition, the domestic institution shall make up its losses of previous years with accordance to laws. On 24 March 2017 and 27 April 2017, the SAFE respectively posted two series of questions and answers on its official website, in order to further explain the Circular 3.

There is no assurance that the PRC government will continue to gradually liberalise control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, the Group will need to source Renminbi offshore to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Payments for the Notes denominated in Renminbi will only be made to investors in the manner specified in the Notes.

All payments to investors in respect of Notes denominated in Renminbi will be made solely (i) for so long as such Notes are represented by Global Notes or Global Certificates, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and procedures of the relevant clearing system or (ii) for so long as such Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any currency or by transfer to a bank account in the PRC).

USE OF PROCEEDS

With respect to each Tranche of the Notes, the specific use of proceeds will be set forth in the applicable Pricing Supplement relating to such Tranche of Notes.

EXCHANGE RATE INFORMATION

The PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi with reference to a basket of currencies in the market during the prior day. The PBOC also takes into account other factors such as general conditions existing in the international foreign exchange markets. Since 1994, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, has been based on rates set by the PBOC, which are set daily based on the previous day's interbank foreign exchange market rates and current exchange rates in the world financial markets. From 1994 to July 2005, the official exchange rate for the conversion of Renminbi to U.S. dollars was generally stable. Although PRC governmental policies were introduced in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currency for current account items, conversion of Renminbi into foreign exchange for capital items, such as foreign direct investment, loans or securities, requires the approval of the SAFE and other relevant authorities. On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. The PRC government has since made and in the future may make further adjustments to the exchange rate system. The PBOC authorised the China Foreign Exchange Trading Center, effective since 4 January 2006, to announce the central parity exchange rate of certain foreign currencies against the Renminbi at 9:15 am each business day. This rate is set as the central parity for the trading against the Renminbi in the inter-bank foreign exchange spot market and the over the counter exchange rate for that business day. On 18 May 2007, the PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank foreign exchange spot market of Renminbi against the U.S. dollars from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. On 20 June 2010, the PBOC announced that it intended to further reform the Renminbi exchange rate regime by allowing greater flexibility in the Renminbi exchange rate and on 16 April 2012, the band was expanded to 1.0 per cent. Effective since 11 August 2015, market makers are required to quote their central parity rates for Renminbi against the U.S. dollar to the China Foreign Exchange Trade System daily before the market opens by reference to the closing rate of the PRC interbank foreign exchange market on the previous trading day in conjunction with the demand and supply conditions in the foreign exchange markets and exchange rate movements of major currencies. The PBOC has further authorised the China Foreign Exchange Trade System to announce its central parity rate for Renminbi against the U.S. dollar through a weighted averaging of the quotes from the market makers after removing the highest quote and the lowest quote. The PBOC announces the closing price of a foreign currency traded against the Renminbi in the inter-bank foreign exchange market after the closing of the market on each working day, and makes it the central parity for trading against the Renminbi on the following working day. The International Monetary Fund announced on 30 September 2016 that, effective on 1 October 2016, the Renminbi was added to its Special Drawing Rights currency basket. The PRC government has since made and in the future may make future adjustments to the exchange rate system.

The following table sets forth the exchange rate of the Renminbi against the U.S. dollar. The exchange rate refers to the Noon Buying Rate as set forth in the weekly H.10 statistical release of the US Federal Reserve Board.

	Noon Buying Rate			
	Low	**Average[(1)]**	**High**	**Period End**
	(RMB per US$1.00)			
2017	6.4774	6.7350	6.9575	6.5063
2018	6.2649	6.6292	6.9737	6.8755
2019	6.6822	6.9014	7.1786	6.9618
2020	6.5208	6.8878	7.1681	6.5250
2021	6.3435	6.4832	6.5716	6.3726
2022	6.3084	6.7518	7.3048	6.8972
2023	6.7010	7.0896	7.3430	7.0999
2024	7.0106	7.1933	7.2993	7.2993
2025	6.9931	7.1708	7.3499	6.9931
2026				
January	6.9462	6.9692	6.9965	6.9510
February	6.8409	6.9064	6.9463	6.8579
March	6.8655	6.8921	6.9119	6.8980
April	6.8157	6.8371	6.8856	6.8273

Note:

(1) Averages are calculated by averaging the rates on the last business day of each month during the relevant year, except for the average rates of the relevant periods in 2026. Monthly averages are calculated by averaging the daily rates during the relevant monthly period.

CAPITALISATION AND INDEBTEDNESS OF THE GROUP

The following table sets forth the total indebtedness and owner's equity of the Group as at 31 December 2025.

This table should be read in conjunction with the audited consolidated financial statements as at and for the year ended 31 December 2025 of the Company and related notes thereto, which are included elsewhere in this Offering Circular.

	As at 31 December 2025	
	(thousands of RMB)	**(thousands of U.S. dollars)**
Lease liabilities	4,057,247	580,179
Borrowings	291,931,246	41,745,613
Debt securities issued	37,019,675	5,293,743
Total indebtedness(1)	**333,008,168**	**47,619,535**
Owner's Equity		
Paid-in capital	33,000,000	4,718,937
Capital reserve	32	5
Other comprehensive income	572,596	81,880
Surplus reserve	3,211,214	459,197
General reserve	3,458,594	494,572
Retained earnings	15,824,139	2,262,822
Non-controlling interests	538,933	77,066
Total Equity	**56,605,508**	**8,094,480**
Total Capitalisation(2)	**389,613,676**	**55,714,015**

Notes:

(1) Total indebtedness equals the sum of lease liabilities, borrowings and debt securities issued.

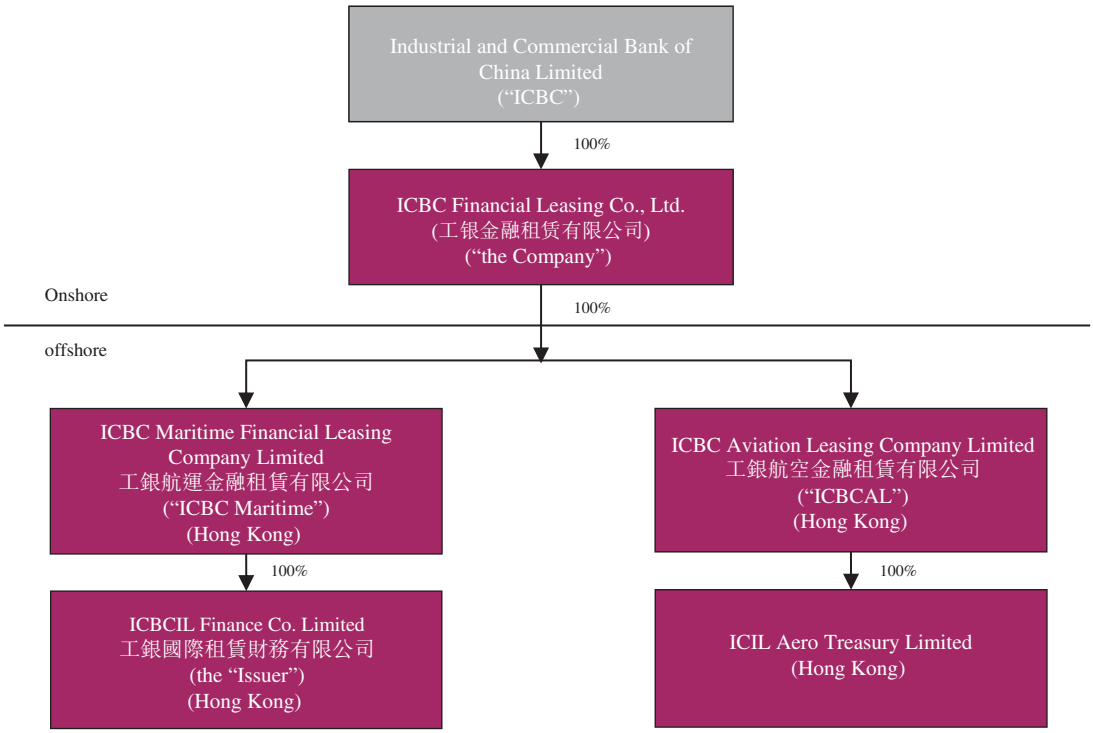
(2) Total capitalisation equals the sum of total indebtedness and total equity.

In the ordinary course of the Group's business, the Group may, from time to time, incur indebtedness, including bank borrowings.

Save as disclosed in this Offering Circular, there has been no material change in the total indebtedness and owner's equity of the Group since 31 December 2025.

CORPORATE STRUCTURE

The diagram below illustrates the organisational relationship between ICBC's onshore and offshore leasing businesses(2) as of the date of this Offering Circular:



Notes:

(1) As at 31 December 2025, Central Huijin Investment Ltd. ("**Huijin**") was the largest single shareholder of ICBC, holding approximately 34.79% shares of ICBC. Huijin is a state-owned company founded by the State Council of the PRC. As at 31 December 2025, MOF was the second single largest shareholder of ICBC, holding approximately 31.14% share of ICBC. MOF is a ministry under the State Council of the PRC.

(2) This diagram does not include all the subsidiaries companies within the Group.

BUSINESS

OVERVIEW

The Company was incorporated on 28 November 2007 in Tianjin, PRC as a wholly-owned subsidiary of ICBC.

On 13 January 2014, ICBC injected an additional RMB3.0 billion of equity capital into the Company, which increased the Company's share capital to RMB11.0 billion. This equity injection was one of several rounds made by ICBC. In early 2018 and 2025, the Company has further increased its registered capital, leading to a paid-in capital of RMB33 billion as at 31 December 2025.

The Company was the first bank-affiliated financial leasing company in the PRC approved by the then CBRC. It was established as a key platform in implementing ICBC's comprehensive operating strategy and products offering, and ICBC has provided the Group with full support in its business development.

Leasing operations

The Group's leasing business is organised mainly around three sectors: (i) aircraft leasing sector, (ii) domestic integrated leasing sector and (iii) maritime leasing sector.

As the Group is the only financial leasing platform of ICBC, it benefits from enhanced business synergy through strong capital and liquidity support provided by ICBC. Moreover, the Group leverages ICBC's extensive client base, brand recognition, and international business network, which are instrumental in driving its international development. This strategic positioning is supported by ICBC's comprehensive marketing strategies and rigorous risk management system.

Awards

In recognition of its achievements, the Group has received numerous awards, which include the following:

- "TEDA Charity Long-term Dedication Award 2025" by Tianjin Economic-Technological Development Area Charity Association in March 2026;
- "Best Green Bond for China offshore — Financial Leasing" by The Asset Awards Triple A for Sustainable Finance 2026 in February 2026.
- "Comprehensive Quality Excellence List for Financial Leasing Institutions" and "ESG Influence Excellence List for Financial Leasing Institutions" at the "2025 Leasing and Finance Conference";
- "Top 50 Green Leasing Enterprises in China" by Shanghai Leasing Industry Association in October 2025;
- "Flying Award" for "Outstanding Contribution to Financial Support for Chinese Commercial Aircraft in 2023" by Commercial Aircraft Corporation of China in December 2024;
- "Soaring Award — Annual Best Financial Leasing Company" at the 2024 (7th) China Leasing Awards in December 2024;
- "ICBC Financial Leasing Stays True to Its Core Mission, Actively Supporting High-Quality Development in the Manufacturing Sector" was recognised as an Outstanding Case of Promoting Domestic Demand in the "2023 China Ding Awards" for the Financial Industry in January 2024;

- "Airline Economics 2023 Aviation 100 Awards — Asia Pacific Lease Deal of the Year" in 2023;
- "The 9th China Air Finance Awards — Industry Promotion Award" in 2023;
- "The 9th China Air Finance Awards — Innovation and Development Award" in 2023;
- "Award for Innovation and Development" and "Award for Industry Promotion" in 2023 by China Air Finance Development (DFTP) Summit;
- "China Financial Leasing Soaring Award — the most influential financial leasing company" in 2022 Global Leasing Industry Competitiveness Forum;
- "Airline Economics 2021 Aviation 100 Awards — European Deals of the Year" in 2023;
- "Sustainable Capital Markets Non-bank Financial Institutions Category — Best Climate Bond Award" in 2021 by The Asset;
- "Best Issuer" in 2021 by China Central Depository & Clearing Co., Ltd.;
- "China Aviation Finance Wan Hoo Award — Award for Innovation and Development" in 2020; and
- "Financial Leasing Company of the Year" in 2020 by Financial Times.

RECENT DEVELOPMENTS

The Group's offshore maritime assets are managed by ICBC Maritime

On 2 July 2024, the Company obtained approval from the NAFR, authorising the establishment of a wholly-owned subsidiary in Hong Kong focused on maritime leasing business. ICBC Maritime was subsequently established on 16 July 2024.

In December 2024, ICBC Maritime signed two share purchase agreements with ICBC International Leasing Company Limited, under which ICBC Maritime acquired 100 per cent. of equity interest of ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司 and ICIL Maritime Leasing (International) Company Limited, respectively. As at the date of this Offering Circular, such equity interest acquisition is complete. ICBC Maritime will conduct its maritime leasing business in alignment with the Group's evolving business needs and strategies.

COMPETITIVE STRENGTHS

Strong support from ICBC

ICBC is one of the largest commercial banks in the world by total assets. The Group believes that the name "Industrial and Commercial Bank of China" is one of the most recognised financial service brand names in the PRC with great international influence. The Group's leasing business, both onshore and offshore, is a core component of ICBC's integrated financial services platform and benefits directly from ICBC's overall franchise value, client base, network infrastructure and capital support, which collectively provide synergistic benefits and bolster international development. ICBC is the 100 per cent. direct shareholder of the Company and has the right to appoint the directors and the management team of the Company. ICBC is regulated as a bank in the PRC by the NAFR and has implemented strict corporate governance standards throughout ICBC, from which the Group has benefited. ICBC steadily promotes internationalised operations and diversified development. With the benefit of ICBC's global networks, the Group owned an extensive sales network and strong customer base.

The Group, as the only financial leasing platform of ICBC, is highly important to ICBC's global market strategy. It is also an important profit contributor for ICBC. ICBC continuously provides capital and liquidity support through capital injections and financing. Furthermore, as required by the then CBRC and prescribed by the internal policy of ICBC, the Company's asset-liability dependency upon ICBC is 40 per cent., which means that ICBC may provide liquidity support to the Group at any time up to the amount equal to 40 per cent. of the Group's total liabilities. As at 31 December 2025, the total assets of the Group represented less than one per cent. of ICBC's total assets, and ICBC is capable of providing sufficient liquidity support to the Group. In September 2024, NAFR promulgated the Measures for Financial Leasing Companies (Order of NAFR [2024] No.6) (the "**Measures on Financial Leasing Companies**") (金融租賃公司管理辦法). Pursuant to Article 32 of the Measures on Financial Leasing Companies, ICBC, as the shareholder of the Company, must stipulate in the Company's articles of association that it will provide liquidity support when the Company faces payment difficulties and promptly replenish the capital when necessary. The support given by ICBC towards the Company is now provided under PRC law.

The Group also enjoys business synergies with ICBC. The Group has cooperated with ICBC on a number of joint projects and raised funds from ICBC in different ways, including lease factoring and issuance of structural bank financial products. In 2009, the Group cooperated with ICBC's private banking department and launched its first lease-connected wealth management product. In 2013, the Company raised funds by transferring its lease receivables to ICBC via non-recourse factoring and bank financial products.

ICBC's various business departments also serve as efficient channels in promoting the Group's competitiveness. For example, the Group and ICBC's corporate banking unit cooperated and successfully introduced a structured lending package that offers loan and leasing solutions to many of ICBC's equipment manufacturer clients. Such cooperation has generated significant synergies for the Group.

Access to ICBC's network and client base enables the Group to provide its clients with a wide array of diversified, high value-added services beyond traditional leasing. For example, the Group can leverage ICBC's commercial banking network and capability to satisfy clients' need for settlement, foreign exchange, deposits and other leasing-related financial services. Recognising the significant opportunities to generate additional revenue and better satisfy clients' needs through cross-selling, ICBC and the Group have jointly introduced a number of structured products that combine leasing with other financial services, including settlement, currency solutions, loans, receivables factoring, wealth management products and investment funds. The Group's ability to leverage ICBC's capabilities to provide comprehensive services helps distinguish the Group from other domestic and international leasing companies.

ICBC's expanding international network also provides the Group with numerous advantages, including a presence in key global leasing centres and the ability to develop innovative, tax efficient leasing products. ICBC's branches in London, New York and the Middle East place the Group in close proximity to its regional clients, allowing for better responsiveness and a more thorough understanding of local market's dynamics. The Group collaborates with ICBC's overseas branches to expand local clientele. Initial contacts can be established through leasing operations, while ICBC's overseas branches provide services such as account management and working capital financing, offering comprehensive financial solutions to clients. In addition, the Group can take advantage of the unique legal, tax and accounting policies of the various jurisdictions in which ICBC operates to provide clients with innovative products to satisfy their specific needs.

Industry leader with a differentiated strategy

The Group's business has grown rapidly by pursuing a highly focused strategy of concentrating on "large markets, large clients and domestic integrated leasing transactions". Because of the strong capital support it receives from ICBC and the overall ICBC platform, the Group has been able to target capital-intensive sectors such as aircraft leasing, maritime leasing and domestic integrated leasing that are inaccessible to smaller leasing companies. The nature of domestic integrated leasing, in which a single transaction generates large amounts of revenue, enables the Group to achieve high operating efficiencies and allows it to enjoy economies of scale. As at 31 December 2025, the Group owned 506 aircraft which have been delivered for operation.

The Group first developed this model of targeting large clients in big-ticket industries in the PRC domestic market, where it rapidly established itself as an industry leader. Following this initial success, the leasing business leveraged ICBC's extensive global network to replicate the domestic success on an international scale.

Through its relationship with ICBC, the Group enjoys numerous advantages over its competitors in terms of developing and retaining clients, particularly those who are looking for an integrated solution to their financial needs both in the PRC and abroad. Through joint marketing with key ICBC branches, the Group has access to ICBC's large corporate client base and has developed new relationships with ICBC's top-tier clients. By targeting ICBC's corporate clients with a need for long-term financing and balance sheet optimisation, the Group has developed a large, high-quality client base.

Strong product capabilities and superior innovation

The Group has a track record of actively structuring and offering innovative products and services for clients and believes it has achieved a number of "firsts".

In the aircraft leasing sector, these "firsts" include:

- the first offshore RMB financing lease project for aircraft;
- the first financial lease based on a tax efficient Chinese special purpose vehicle structure for China Southern Airlines;
- the first operating lease among bank-affiliated leasing businesses in the PRC for British Airways;
- the first purchase agreement signed by a Chinese leasing company with Airbus and Boeing;
- the first direct overseas purchase of 42 A320 aircraft from Airbus by a Chinese leasing company; and
- the first aircraft lease completed under the new Hong Kong tax regime.

As of 31 December 2025, the Group had placed orders for 135 domestically developed aircraft. By taking advantage of favourable policies in the Tianjin Free Trade Zone, the Group pioneered the use of a tax efficient structure for domestic leasing projects, a technique now known within the leasing industry as the "Chinese tax-free zone special purpose vehicle" model. Following this success, the Group developed a number of additional structured leasing products, including a vessel warehousing leasing product.

Through its creative business approach, the Group has identified and expanded into new markets. For example, the Group is extending its client base to top-tier companies upstream and downstream in the industrial chain as well as to overseas markets by helping its PRC clients to "go global". In addition, by

utilising ICBC's client base and distribution channels, the Group has generated leasing revenues from high quality small and medium enterprises ("**SMEs**") in the PRC, helping to bridge the financing gap faced by these SMEs.

The Group's strong product capacity and commitment to innovation are highlighted by numerous awards. Please refer to "*Business — Awards*".

Diversified funding sources to support growth

Benefiting from its strong industry position and continuous liquidity support from ICBC, the Group maintains diversified and stable sources of funding to support its growth domestically and internationally. The Group's diversified financing channels include credit support from ICBC, commercial bank facilities, bonds, syndicated loans, and asset securitisation and asset-backed finance. The refinancing risk is low, and liquidity remains at sufficient level. The Group has maintained centralised treasury management for its onshore and offshore businesses. The Group has established strong partnerships with over 100 leading international financial institutions, spanning across markets in Asia, Europe, the United States and the Middle East. The Group has partnered with banks such as ICBC, Bank of China, Bank of Communications, HSBC, BNP Paribas, Goldman Sachs, Mizuho Bank and J.P. Morgan.

As at 31 December 2025, the Group has obtained line of credit exceeding RMB790 billion, approximately 67 per cent. of which was unused. Furthermore, as required by the then CBRC and prescribed by ICBC, the asset-liability dependency upon the parent of the Company is 40 per cent., which means that ICBC may provide liquidity support to the Company at any time up to an amount equal to 40 per cent. of the Group's total liabilities. The Company also receives liquidity from factoring and trading of receivable assets.

From 2020 to 2025, the Group has raised approximately US$7.05 billion[3] through offshore bond issuances and RMB26 billion[3] through onshore bond issuances.

Comprehensive and robust risk management

The Group has established a relatively complete and comprehensive risk management system, which plays a crucial role in ensuring the Group's operational and strategic objectives. This unique risk management system specific to leasing, referred to as the "four-pronged approach" involves controlling personnel, controlling finances and assets, managing defence lines, and adhering to bottom lines. Furthermore, a comprehensive risk management policy framework has been constructed to align with ICBC's 'six comprehensive' management requirements. In line with these requirements, a management and monitoring mechanism for the 'Five Unified Accounts' has been implemented. This mechanism covers company credit and investment business, parent and subsidiary company business, domestic and overseas business, financing and leasing business, and on-balance-sheet and off-balance-sheet business.

An experienced and professional management team

The Group's management team comprises highly experienced professionals with diverse backgrounds in leasing, commercial banking, investment banking, global capital markets and relevant industry experience. This enables the Group to effectively identify and cultivate relationships with leading clients in its target industries. It also allows the Group to develop full-service leasing solutions tailored to meet

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3 The figures stated are as of 31 December 2025. The onshore bonds raised by the Group in 2020, 2021 and 2024 were approximately RMB6.0 billion, RMB9.0 billion RMB11.0 billion, respectively. The offshore bonds raised by the Group in 2020, 2021, 2022, 2023, 2024 and 2025 were approximately, US$0.9 billion, US$2.6 billion, US$1.7 billion, US$0.9 billion, US$0.3 billion and US$0.65 billion, respectively.

the needs of its extensive, global network of sophisticated clients. The majority of the Group's senior executives are sourced from ICBC group and possess substantial experience in banking management. The dual roles of senior management help to ensure close cooperation between ICBC and the Group to maximise synergy effects. The Group has maintained a stable management team which has enabled healthy and stable growth of the Group.

BUSINESS STRATEGIES

Maintain strategies of specialisation, marketisation and internationalisation

Specialisation

The Group intends to enhance its position as a leasing industry innovator by keeping focusing on its selected industries. Apart from aircraft and maritime finance, the Group also aims to develop the domestic integrated leasing market by focusing on the areas of energy and power, rail transit and construction machinery. In addition, the Group focuses on supporting key sectors of the real economy, which include manufacturing, specialized, sophisticated, distinctive, and innovative SMEs, green energy, the private sector, inclusive finance, and agriculture-related industries.

The landscape in the aircraft sector has changed and due to a shift in market practice in the aircraft leasing business to more frequent use of operating leases, the Group strategically expanded its operating lease business, primarily in the aircraft leasing business, by acquiring more aircraft and leasing them out under operating leases, to meet market demand. In addition, the Group has been constantly promoting the business under dual circulation strategy with a focus on internal circulation strategy, regional strategy and industrial strategy on new infrastructure, new urbanisation initiatives and major projects such as transportation and water conservancy projects.

Marketisation

The Group aims to offer leasing services and products that meet clients' needs. Leveraging on the brand, clients, network and technological advantages of ICBC, the Group aims to establish a comprehensive range of financial leasing products and services. The Group also aims to develop its asset trading operations to improve the quality of its assets and also promote the strategic development of its business. The Group's clients include not only large and medium-sized state-owned enterprises and industry-leading enterprises, but also listed companies and successful private and SMEs.

Internationalisation

The Group aims to establish itself as an industry leader in the international leasing market. The Group currently has a high-quality client base, strong market competitiveness, and businesses across North America, South America, Europe and Asia-pacific region and in more than 50 countries and regions. Some of the international leading clients of the Group include American Airlines, Air France-KLM, Emirates, Cosco, British Petroleum, Bunge, Shell, China Merchants Group and Maersk.

Through these strategies, the Group aims to maintain specialised industry focus, anticipate and adapt to continuously shifting market conditions and prudently proceed with international expansion. Its cross border leasing business accelerates Chinese companies' "Going Global" strategies and resonates with the "Belt and Road" initiative of China.

Expand the Group's client base by targeting industry leaders and key markets

The Group places great emphasis on client selection and will continue to selectively target large and medium-sized state-owned enterprises, leading multinational corporations and other high-quality clients. The Group aims to also focus on clients in strategically important industries and those involved in leading public and private-sector projects. The Group believes that doing so not only reduces the aggregate credit risk of its leasing activities, but also serves as an effective promotional tool for its services and strengthens the Group's position as a leader in the leasing industry. The Group has expanded into lifestyle and non-cyclical industries such as new energy, consumer and healthcare sectors.

Promote closer integration between ICBC and the leasing business

The Group differentiates itself by its ability to provide value-added services beyond traditional leasing. The Group aims to continue to fully leverage ICBC's large client base, extensive distribution channels, strong brand recognition and integrated financial services platform to develop innovative new leasing products and services and secure additional high-quality clients. It will also co-ordinate with various ICBC branches to engage in marketing efforts targeted at clients in need of full-service solutions for their financing needs both domestically and internationally. In order to ensure continued financial and managerial support from ICBC, the Group aims to also focus on extending ICBC's portfolio of financial services and enhancing its overall service capabilities.

Further improve risk management capabilities

The Group has established a relatively comprehensive risk management system, which has evolved into version 2.0. This system plays a role in safeguarding the Group's operations and strategic goals. A corporate governance structure and organizational framework with clear rights and responsibilities among shareholders, the Party Committee, the board of director and the management have been established, with each performing their roles. The Group has strengthened its comprehensive and hierarchical review mechanisms, emphasising key areas and ensuring efficient linkage through the board of directors, Party Committee meetings, risk committee meetings, and investigation meetings. This has formed a risk governance structure where the Party Committee provides overall leadership, the board makes strategic decisions, supervisors conduct legal supervision, and the management is responsible for operations.

Moreover, a relatively complete policy and institutional framework for comprehensive risk management has been established to align with ICBC's 'six comprehensive' management requirements. This includes the establishment of comprehensive risk management regulations, various risk management methods, detailed rules, and manuals, forming a four-tier system. An innovative depiction of the "Comprehensive Risk Management (ERM) Framework" and a risk management roadmap titled "Proactive Prevention, Intelligent Control, Comprehensive Management" have been created.

Actively optimise liability structure to reduce financing cost

The Group strives to actively manage its liability structure in order to obtain competitive cost of financing and optimal match of durations of assets and liabilities. Traditionally, the domestic loan market has been the primary source of funding for Chinese leasing companies. Since its establishment, the Group has been expanding its funding sources. The Group has actively accessed the domestic interbank lending market to raise cost-effective funds as well as issued offshore bonds independently and with support from ICBC. It also engages in lease receivable factoring, issuance of asset-backed securities and other transfers to better manage its liquidity condition. The Group intends to further optimise its diversified funding structure by fully leveraging its existing funding channels as well as exploring new sources of funding. The Group's use of the Programme to raise debt overseas represents a further step towards improving the Group's overall funding mix, enhancing financial flexibility and securing an optimal asset liability match.

BUSINESS DESCRIPTION OF THE GROUP

The Group's leasing business is organised mainly around three major sectors: (i) aircraft leasing sector, (ii) domestic integrated leasing sector and (iii) maritime leasing sector. The Group's development has been supported by favourable government policies and initiatives. The then CBRC started to approve the establishment of bank-affiliated financial leasing companies in 2007, in order to address the tremendous financing needs for new aircraft, vessels and large-scale projects, and to allow banks to deploy capital in such fast-growing markets. As the first bank-affiliated financial leasing company approved by the then CBRC, the Company was able to take advantage of the preferential tax treatment in Tianjin tax-free zone and gained first mover advantage among the bank-affiliated leasing companies. The PRC government has since promoted the use of financial leasing and introduced new regulations and tax breaks for financial leasing companies. The Company was also designated by the State Council as a pilot business.

The Group, as the only financial leasing platform of ICBC, is highly important to ICBC. The Group's financial leasing services extend ICBC's service scope and complement other product offerings to increase ICBC's overall competitiveness. Through the purchase, leasing, management and disposal of the leased assets, the Group brings new clients to the commercial banking and investment banking units of ICBC, such as lending, deposits, remittances and factoring business. The Group has enhanced ICBC's ability to meet clients' needs for alternative financing and increased overall client satisfaction. As at 31 December 2025, the Group's U.S. dollar denominated assets accounted for approximately 67 per cent. of its total leasing assets, and its offshore assets accounted for approximately 47 per cent. of its total leasing assets.

The Group provides a diversified product and service portfolio consisting of leasing services and industry-related services to meet the needs of different clients. The Group's leasing products and services include financial leasing of newly purchased equipment, operating leasing, financing sale and leaseback, optimised sale and leaseback, structural tax lease, vendor leasing, equipment export lease, joint lease, bonded lease and RMB cross-border leasing. The Group also provides industry-related services including equipment and asset trading, equipment and asset management and equipment investment consulting services. The strategy is to focus on large markets and large clients. This strategy allows the Group to dedicate its resources to customised leasing products and value-added services for key clients in target industries, and to anticipate and adapt to shifting market conditions. By concentrating on domestic integrated leasing, which is influential for the relevant industries, the Group is able to achieve economies of scale and maintain its market-leading position.

Aircraft Leasing Sector

The aircraft leasing business has been a key strategic area since the establishment of the Company. The Group takes on an important function in ICBC, and is the only platform to operate the aircraft leasing business. The Group provides tailored financial services to large-scale airlines, airports, aeroplane manufacturers and aircraft maintenance companies. The Group has the capacity to design and offer customised leasing schemes to meet the different business needs of its clients and has achieved a market-leading position in the domestic industry in terms of the number of leased aircraft and the outstanding balance of the leased assets. The products of the Group's leasing business cover various types of airplanes and other large equipment used by airports and aeroplane manufacturers such as engines, simulators, aviation equipment and equipment used in aircraft manufacturing. The Group has developed cooperative relationships with leading international airline companies, including China Southern Airlines, Air China, Xiamen Airlines, China Eastern Airlines, Shenzhen Airlines, Sichuan Airlines, Shandong Airlines, American Airlines, United Airlines, Air France–KLM, Emirates, Qatar Airways, Korean Air and Asiana Airlines.

The Group has also entered into strategic cooperation agreements with various international aviation manufacturers including Airbus, Boeing, Bombardier, Embraer and Commercial Aircraft Corporation of China ("**COMAC**"). Focusing on serving the national strategy and the real economy, and supporting the development of the domestically developed aircraft industry, the Group has further strengthened its strategic cooperative relationship with COMAC. As at the date of this Offering Circular, it is COMAC's largest leasing company customer in terms of the number of orders.

The Group is one of the leaders and pioneers in the PRC aircraft leasing industry. On 28 March 2018, the Company established ICBC Aviation Leasing Company Limited ("**ICBCAL**") in Hong Kong. The Company entrusts ICBCAL to manage the aircraft leasing assets in China. ICBCAL leverages the advantages of Hong Kong's position as an international financial hub and its goal to establish an international aircraft leasing hub, aiming to integrate the Group's domestic and overseas aircraft leasing businesses to achieve synergy and professional operations, and striving to become a world-class aircraft leasing company. The Group holds a leading position in aircraft leasing business in the PRC.

The Group is committed to actively implementing ICBC's Belt and Road plan, aiming to support the transformation, upgrade, and innovative development of the aircraft manufacturing industry. It focuses on expanding aviation leasing channels to introduce high-end aircraft models to Chinese airline companies, substantially promoting the marketisation and internationalisation of domestically developed aircraft, and supporting the growth of China's aviation manufacturing industry.

In the past, leasing companies in China faced regulatory restrictions on direct purchases from international aircraft manufacturers and on offshore financing in connection with such purchases. The Group was one of the first financial leasing companies in the PRC approved by the regulatory authority to directly purchase aircraft from international aircraft manufacturers. Hence, the Group was able to enter into large transactions that represented significant milestones for PRC companies in the aircraft leasing market, as represented by the below transactions:

- in April 2021, the Company and COMAC jointly held a senior seminar "Entering Large Aircraft" and signed a purchase agreement for domestically produced ARJ21 aircraft;

- in July 2022, the Company and Airbus signed a memorandum of understanding on strategic cooperation for sustainable aviation development;

- in October 2022, ICBCAL completed its first overseas aircraft reclamation project for a "Passenger-to-Cargo" lease, facilitating the conversion from foreign to domestic and from passenger to cargo aircraft;

- In October 2022, ICBCAL delivered two domestic ARJ21 aircraft to China Eastern Airlines, which was the first domestic aircraft delivered after the 20th National Congress of the Chinese Communist Party;

- In November 2022, at the 14th China International Aviation and Aerospace Exhibition, the Company and COMAC signed a letter of intent to purchase 50 domestic C919 aircraft;

- in March 2023, the Company signed a strategic cooperation agreement with the Joint Management Committee of the Airport Economic Zone of Beijing Capital International Airport;

- in April 2023, the then chairman of ICBC met with the CEO of Airbus, and in May 2023, the Company signed an aircraft purchase agreement with Airbus;

- in April 2024, the Company completed the world's first offshore renminbi aircraft financing and leasing transaction;

- in June 2024, the Company signed a three-year action plan (2024–2026) with COMAC; and

- in December 2024, the Company launched the first operational leasing business for self-owned engines in China's industry;

- in December 2025, through ICBC Leasing (Hainan) Company Limited, a management-type project company established in Hainan, the Company delivered three aircrafts to Sichuan Airlines and Shenzhen Airlines and entered into contracts for nine bulk carriers. In line with the strategy of serving the Hainan Free Trade Port, the Company expanded its business presence in Hainan.

In addition, the Group's portfolio age (in years, weighted by value, in-service and storage fleets only) is competitive compared with those of its international peers. As at 31 December 2025, the portfolio age of the Company was 6.94 years. As at 31 December 2025, the Company ranked amongst the world's top 7 aircraft leasing companies, with a fleet value of approximately US$17 billion, according to Ascend.

The Group's aircraft leasing team, based in Beijing, Tianjin, Ireland, Hong Kong, and Toulouse, has successfully engaged in business with major airlines globally.

For the year ended 31 December 2025, the aircraft leasing assets contributed approximately 45% of the Group's leasing assets.

For the year ended 31 December 2023, 2024 and 2025, the Company delivered 37, 40 and 26 (including three aircraft acquired through asset transactions) aircraft, respectively. As at 31 December 2025, the Group operated and managed 786 aircraft, with 506 of those leased out to a diverse customer base comprising 81 airlines across 39 countries and regions.

For the year ended 31 December 2023, 2024 and 2025, the Company's amount of aircraft lease transactions was RMB5.43 billion, RMB5.10 billion and RMB5.70 billion, respectively. The aircraft business has transformed from a passive business model based on sale-leaseback and asset package purchase to a model focused on orders whilst maintaining sale-leaseback, financial leasing and portfolio purchase.

The table below sets forth the types of aircraft in the Company's fleet as at 31 December 2025.

	Fleet
	Percentage (%)
Narrow Body	82.6
Wide Body	9.1
Regional Jet	8.3
Total	100.0

As at 31 December 2025, the Group had 506 aircraft under lease, of which 11.0% were under finance lease and 89.0% were under operating lease, with the book value of the fleet amounting to approximately RMB132.0 billion. As at 31 December 2025, the Group had approximately 120 aircraft orders.

The following table shows the top five clients of the Group as at 31 December 2025 in terms of remaining balance of lease contracts in the aviation financing sector, which illustrates the diversified revenue base of the Group in this sector.

Name of Client	Remaining Balance of Lease Contracts as at 31 December 2025
	(in RMB billion)
China Southern Airlines	12.98
Asiana Airlines	8.34
Xiamen Airlines	6.57
Air China	6.00
Qatar Airways	5.70

Domestic Integrated Leasing Sector

The strong relationships with both ICBC and major equipment manufacturers in the PRC allow the Group to draw upon a deep reservoir of industry knowledge and successful experience that supports its equipment leasing business. The Group serves the equipment manufacturing industry by providing equipment leasing services, satisfying clients' financing and investment needs, optimising clients' financial structures and promoting technological advancement and replacement of industrial equipment.

The domestic integrated leasing business involves a variety of services including financial leasing, operating leasing, sale-leaseback and various advisory services. The Group has benefited from the client base of ICBC's branches by providing financial leasing services to these clients. The Group has close relationships with a host of large Chinese clients across the PRC, including Beijing Infrastructure Investment Co., Ltd., Nanjing Metro, Wuhan Metro, China Railway Construction Corporation Limited, Sany Heavy Industry Co., Ltd., China Datang Corporation, China Three Gorges Renewables (Group) Co., Ltd., State Power Investment Corporation and China Huaneng Group. The Group has assisted these firms in implementing a variety of rail vehicle, energy equipment, engineering machinery, production equipment and other large leasing projects.

Moreover, the Group has demonstrated innovation in the domestic integrated leasing sector. The Group has built a series of product lines to strengthen its core competitiveness in various sectors including manufacturing financing, sales financing, logistics financing and project financing. The Group supports SMEs through branches of ICBC and has launched "Easy Leasing" products with an aim to provide financing leasing services for SMEs through the marketing network of ICBC. This is a new approach that serves SMEs through cooperation between leasing companies and banks. The Group's main line of business closely relates to the real economy of the PRC and adheres to the national and industrial planning policies of the PRC government. The Group intends to seize the opportunities relating to the upgrade of the PRC industrial structure. The Group is prepared to support the opportunities relating to the "going out" plans and policies of PRC enterprises.

The following is a brief summary of its domestic leasing projects, covering a diverse range of sectors aimed at bolstering infrastructure and sustainable development, which include:

- **High-End Equipment Project**: The high-end equipment project leads in the market share within the domestic urban underground transportation leasing sector in China, focusing on leasing of shield machines, tunnel boring machines and other high-end equipment for construction.

- **Green Energy Project**: The green energy project initiatives include the direct leasing of photovoltaic systems for rural households in regions such as Guangdong and Guangxi, promoting green, low-carbon energy solutions and rural revitalisation, along with a power battery leaseback service for electrical heavy trucks in Shanghai, promoting the substitution of electric energy in the heavy truck field.

- **Livelihood Project**: The livelihood projects encompass sale leaseback services for gas equipment, benefiting over 1.2 million residents and over 15,000 merchants, and similar services for water supply equipment in Cixi, Zhejiang, benefiting over two million locals.

As at 31 December 2025, the distribution of domestic integrated equipment leasing assets in the (i) transportation, storage and postal services sectors, (ii) production and supply of electricity, heat, gas, and water sectors, (iii) water, environment, and public utilities management sectors (iv) manufacturing, and (v) others accounted for approximately 79.4 per cent., 10.6 per cent., 2.1 per cert., 3.4 per cert. and 4.5 per cent., respectively of the total equipment leasing assets.

As at 31 December 2025, all of the large equipment owned by the Group were leased to clients, and most were under financial lease, with a remaining total balance of lease contracts of RMB105.43 billion (only includes assets from equipment leasing projects, excluding aviation and shipping assets).

The following table shows the top five clients as at 31 December 2025 in terms of remaining balance of lease contracts in the equipment leasing sector, which illustrates the diversified revenue base of the Company in this sector:

Name of Client	Remaining Balance of Lease Contracts as at 31 December 2025
	(in RMB billion)
Beijing Infrastructure Investment Co., Ltd. (北京市基礎設施投資有限公司)	6.48
Wuhan Metro Group Co., Ltd. (武漢地鐵集團有限公司)	4.62
Henan Transport Investment Group Co., Ltd (河南交通投資集團有限公司)	3.04
Ningbo Rail Transit Group Co., Ltd. (寧波市軌道交通集團有限公司)	3.02
Qingdao Metro Group Co., Ltd. (青島地鐵集團有限公司)	2.83

Maritime Leasing Sector

The Group also engages in maritime leasing business, with offshore maritime assets managed by ICBC Maritime and onshore maritime assets managed by the Company. See "*Business — Recent Developments — The Group's offshore maritime assets are managed by ICBC Maritime*" for the recent developments in the Group's maritime leasing sector. ICBC Maritime's development has also benefited from financial and other support from ICBC as its offshore leasing platform.

Maritime leasing business has always been a strategic focus for the Group. Since its establishment, the Group has aimed to become a world-class provider of comprehensive maritime financial services, offering integrated and innovative solutions to support the real economy and foster the healthy development of the shipping industry.

As at 31 December 2025, the Group managed over 285 vessels and maritime assets across 32 asset types, with a total asset value of approximately RMB98.8 billion and a combined deadweight tonnage of more than 32.5 million. Its client base covers over 20 countries and regions, including more than 60 leading enterprise clients. The major clients include COSCO Shipping Group, China Merchants Group, Vale, Bunge, Mediterranean Shipping Company, Maersk, CMA CGM, BP p.l.c and China State Shipbuilding Corporation.

The maritime leasing business encompassed a diverse range of vessel types that experienced rapid growth. Key projects include:

- **Bulk Carrier** — In 2024, the Group initiated an operating lease project in cooperation with a central state-owned cargo enterprise, involving four bulk carriers. In 2025, the Group initiated a financial lease project in cooperation with a central state-owned cargo enterprise, involving nine bulk carriers.

- **Containership** — In 2024, the Group launched a finance lease project for three newly built 13,600 TEU large containerships in cooperation with a Canadian shipowner. This project marks the largest single cross-border RMB transaction to date.

- **Tanker** — In 2024, the Group completed a finance lease project involving two oil tankers in cooperation with a major Chinese state-owned enterprise.

- **Gas Carrier** — In 2024, the Group partnered with a leading Chinese private-owned enterprise to initiate a finance lease project for very large ethane carriers (VLECs).

- **Others** — In 2024, the Group collaborated with a subsidiary of a leading domestic automotive company to launch a finance lease project for three dual-fuel car carriers.

The table below sets forth the total asset values of different types of vessels in the Company's fleet as at 31 December 2025.

	Vessels	
	Total Asset Value (in RMB billion)	**Percentage (%)**
Gas Carrier	28.3	28.6
Dry Bulk Carrier	25.6	25.9
Container Ship	20.7	21.0
Liquid Cargo Carrier	8.5	8.6
Offshore Engineering Equipment	8.8	8.9
Others	6.9	7.0
Total	98.8	100.0

Leasing Arrangements

Leasing arrangements can be generally categorised into finance leasing and operating leasing. Under a finance leasing arrangement, at the end of the lease term, the lessee has the obligation to buy back from the lessor the underlying assets at a predetermined price. All of the Group's large equipment items and most of the Group's vessels are under finance lease. In contrast, under an operating lease arrangement, the title of the underlying assets remains with the lessor. Most of the Group's aircraft are under operating leases. In practise, the Group actively seeks purchasers of the underlying assets under operating leases and starts doing so before the end of the lease term.

Lease rentals are contracted on either a fixed rate or floating rate basis. For aircraft leases, the Group typically holds a security deposit or letter of credit under the leases to secure the performance of the lessee's obligations under the lease and which the Group may apply against those obligations in the event the lessee defaults. The value of any security deposit or letter of credit varies according to the credit quality of the lessee but is generally equivalent to two to four months' rental price. Letters of credit are not used for leasing vessels or for leasing large equipment.

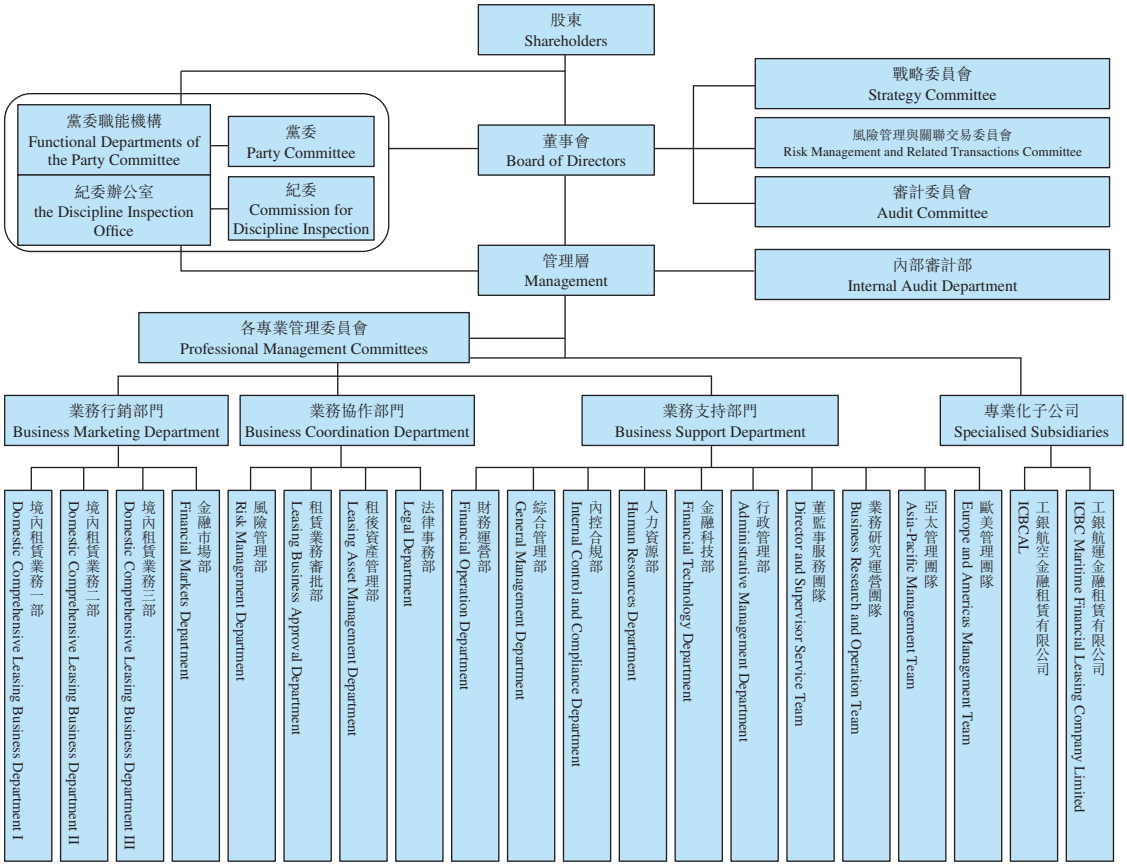
Risk Management

The Company places importance on prudent operations and rated the quality of development as the top priority. Through analysing characteristics of China's leasing industry and upholding the principles of "prudent and steady, determined for innovation, value-creating, risk controlled", the Company established a comprehensive risk management system, including risk management structure, procedures of collective review and decision-making of projects, a project risk management system, a risk early warning system and an internal-control management system. The comprehensive risk management system effectively manages credit risk, asset investment risk, liquidity risk and other risks as a whole. In addition, the comprehensive risk management system of the Company is also closely connected to the risk management system of ICBC, which allows for collaboration and information sharing. Prior to entering into a leasing arrangement with a potential client, the Company retrieves the credit rating of such client from the credit system maintained by ICBC, and only proceeds if the potential client's credit rating is at or above a predetermined level.

Risk management is fully integrated into the Company's project approval process. In each stage in the process, from due diligence to project review to contract signing and release of funds, all elements of risk arising from the project, including credit risk, market risk, liquidity risk, asset risk, tax/accounting risk and legal and compliance risk, are carefully and independently assessed by a designated party. These parties include project teams, other business teams, specialised asset management teams, the finance team, the legal team and various third parties.

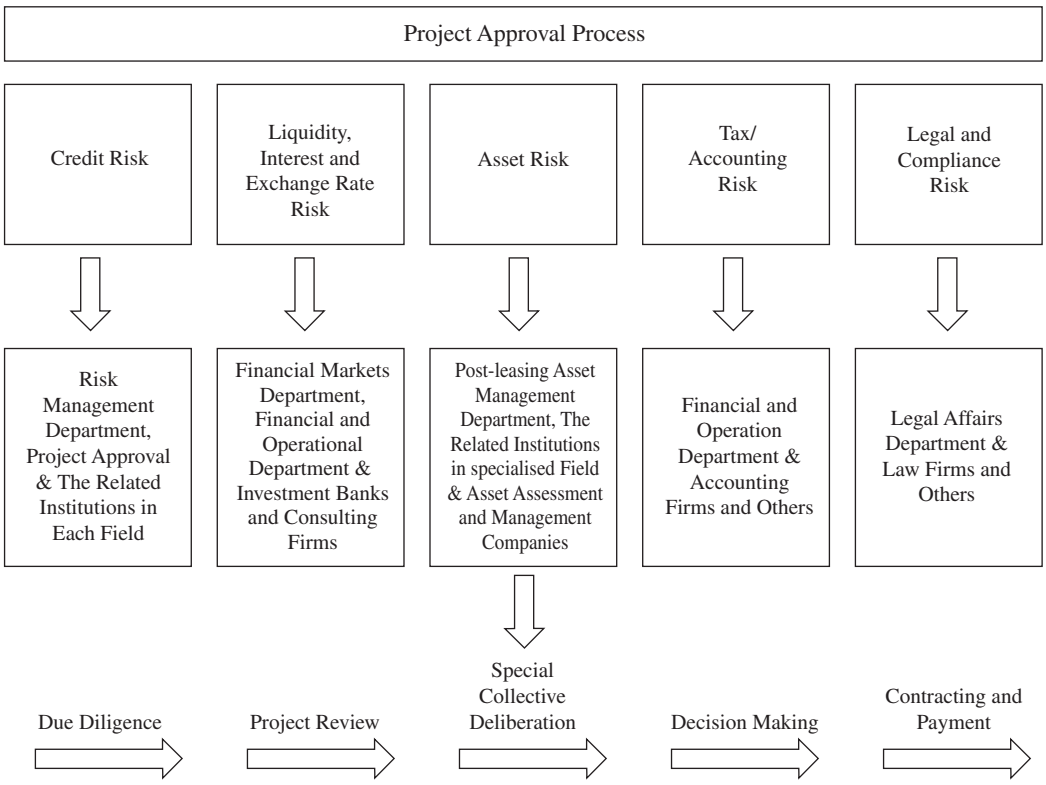
The Company also has a dedicated asset management department staffed with industry experts to review and oversee risks relating to aircraft and vessel leasing projects. For each aircraft under an operating lease, when the remaining lease term is less than a predetermined level (four years for narrow body aircraft and six years for wide body aircraft), the Company starts actively seeking purchasers for the aircraft. If the remaining lease term for an aircraft is less than two years without a purchaser contracted to buy the aircraft after the expiration of the lease, a dedicated sales team of experts will be engaged. If the remaining lease term of an aircraft is less than one year without a purchaser contracted to buy the aircraft, alternative solutions, including potential re-lease of the aircraft, will be considered. If no purchaser or subsequent lessee can be found and the remaining lease term is less than six months, senior management of the Company will be involved in order to secure a purchaser or lessee at the end of the lease term. For vessel leasing projects, the asset management team evaluates the residual value risk associated with each vessel to ensure that the terms of the leasing contract, in particular the rental price, can minimise such risk in case the Company cannot sell or re-lease the vessel when the lease expires.

The chart below sets out the management structure of the Group as at the date of this Offering Circular.



By utilising an industry-leading risk management and project risk control system, the Group has maintained strong asset quality since its inception.

The diagram below sets out the process before a leasing project is approved:



The Group places risk management as a high priority and puts emphasis on strengthening its risk management to achieve healthy and sustainable development. The Group aims to do this by establishing a multi-level system and by improving its risk assessment, developing its information technology management and control system, equipping itself with a professional team, improving its credit management system and business decision-making mechanisms and by establishing an efficient and robust security system to ensure that the level of efficiency of management and risk control improves its overall ability to resist risks.

In 2013, the Group carried out a structural stress-test for the risk of increased demand on the U.S. dollar caused by Federal Reserve's tapering its quantitative easing policy (QE) and developed corresponding plans for this risk. The Group also conducted comprehensive risk screenings on 300 financing leasing and operational leasing projects across 15 industries to eliminate risk blind spots and to strengthen management and control over weak links. In the same year, the Group officially launched its aircraft assets management system, which it believes was the first of its kind in the PRC with independent intellectual property rights. This system adopts multi-dimension dynamic management over the contract, ownership, insurance, value assessment and technology of aircraft assets. During the same period of time, the Group's vessel asset management system (Phase II) was officially launched. The Group believes these two asset management systems have improved the efficiency and quality of asset risk and value management.

In 2014, the Group established a Risk Asset Management Team with responsibilities for (i) developing specific plans for the clearing, conversion and disposal of non-performing assets and (ii) organising and conducting risk management according to the specific plans to maximise recovery and minimise loss. In 2016, the Group upgraded Risk Asset Management Team to Risk Asset Management Department, which demonstrated the Group's efforts and ambition to strengthen the quality control of the assets.

The Group consistently adheres to the integrated management of business development and risk control, and combines the unique characteristics of the leasing business "financing + asset integration". It continues to establish and perfect a comprehensive risk management system that covers all types of risks, encompassing the entire process and lifecycle, with specialised and meticulous management mechanisms covering entry, checkpoint, and exit points. The risk governance structure is relatively robust, constructed by the board of directors, senior management, business departments, risk management and internal control compliance departments, and internal audit departments. This structure effectively leverages the "three lines of defense" in risk management, where each line performs its duties independently yet cooperatively, enhancing the synergy among the three lines to jointly promote the Group's stable business development. The Group has also partnered with ICBC to conduct risk management, which includes regularly issuing management documents to the Group, sharing risk monitoring information, holding risk management meetings, among others, and the Group's project financing has also been integrated into ICBC's comprehensive credit management.

The table below sets forth the key financial ratios of the Group as at or for the years ended 31 December 2023, 2024 and 2025:

	As at/for the year ended 31 December		
	2023	2024	2025
		(%)	
Profitability Metric			
ROAA[(1)]	0.73	0.40	0.53
ROAE[(2)]	5.64	3.60	4.51
Asset Quality			
NPA Ratio[(3)]	1.54	0.88	0.79
Impairment Coverage Ratio[(4)]	229.15	274.86	250.40
Capital Strength			
Capital Adequacy Ratio[(5)]	15.78	12.71	14.06
Core Tier 1 Capital Adequacy Ratio[(6)]	14.67	11.58	13.11
Debt Ratio[(7)]	87.80	90.25	86.14

Notes:

(1) Return On Average Assets ("**ROAA**") = Net Profit/Average on beginning and ending Total Assets.

(2) Return On Average Equity ("**ROAE**") = Net Profit/Average on beginning and ending Total Equity.

(3) Non-performing Finance Lease Asset Ratio = (Substandard Loans + Doubtful Loans + Loss Loans)/Total Loans. In this formula, "Loans" refer to outstanding finance lease balances.

(4) For 2023, Impairment Coverage Ratio = Provision for Impairment on Finance Lease Receivables/Finance Lease Receivables Impaired; for 2024 and 2025, Impairment Coverage Ratio = (Provision for Impairment on Finance Lease Receivables + Provision for Impairment on Operating Lease Receivables)/Finance Lease Receivables Impaired.

(5) Capital Adequacy Ratio = Net Capital/Risk Weighted Assets.

(6) Core Tier 1 Capital Adequacy Ratio = Net Core Tier 1 Capital / Risk Weighted Assets.

(7) Debt Ratio = Total Liabilities/Total Assets.

The Company measures and monitors its asset quality through a lease receivables classification system. In accordance with statutory requirements promulgated by the then CBIRC, the Company classifies lease receivables using a five category classification system. These classification criteria are designed to assess the likelihood of repayment by the lessee and the collectability of principal and interest on the lease receivables. The five categories are normal, special mention, substandard, doubtful and loss as detailed below.

Normal

There is no reason to doubt that the loan principal and interest will not be paid by the lessee in full and/or on a timely basis. There is no reason to suspect that the lease receivables will be impaired.

Special Mention

Even though the lessee has been able to pay the lease payments in the past in a timely manner, there are still factors that could adversely affect its ability to pay. For example, if lease payments have been overdue for 30 days or more and the financial position of the lessee has worsened, or its net cash flow has become negative, the lease receivables for this lease contract should be classified as special mention or lower.

Substandard

The lessee's ability to pay is in question as it is unable to make its payments in full with its operating revenues, and the lessor is likely to incur losses notwithstanding the enforcement of any guarantees underlying the lease contract.

Doubtful

The lessee's ability to pay is in question as it is unable to make lease payments in full and/or on a timely basis with its operating revenues and the lessor is likely to incur significant losses notwithstanding the enforcement of any guarantees underlying the lease contract.

Loss

After taking all possible steps or going through all necessary legal procedures, lease payments remain overdue or only a very limited portion has been recovered.

Insurance

As at 31 December 2025, the Company maintained a range of insurance coverage on its fixed assets underlying its leases. The Company maintains asset insurance for the assets underlying its leases to cover any loss or damage to such assets during the leasing period. The insurance payments are generally paid by its clients in line with leasing industry practise and the Company is usually the beneficiary of such insurance.

The Company provides social security insurance for its employees as required by PRC social security regulations, such as pension insurance, unemployment insurance, work injury insurance and medical insurance.

Please see "*Risk Factors — The Group may not have, and cannot ensure that its lessees will maintain, adequate insurance coverage to cover potential liabilities or losses*." in this Offering Circular for a discussion of the risks associated with the Group's insurance coverage.

Legal Proceedings

The Group is involved, from time to time, in legal proceedings arising in the ordinary course of its operations. A majority of these legal proceedings involve claims initiated by the Group to recover payment of leasing receivables from its clients.

As at the date of this Offering Circular, none of the Issuer, the Company or their respective subsidiaries was involved in any material litigation or arbitration proceedings in the context of the offering of the Notes and none of the Issuer or the Company is aware of any such litigation or proceedings pending or threatened against it or any of their respective subsidiaries which are material in the context of the offering of the Notes.

Employees

As at 31 December 2025, the Group had 409 employees. The Group believes that it has a high-quality workforce possessing specialised industry expertise, with 99.5 per cent. of its employees having attained bachelor's degrees and above and 77.5 per cent. having attained master's degrees and above. The professional staff of the Group also have working experience in aviation, shipping, manufacturing and other relevant industries.

The Group's ability to attract, retain and motivate qualified personnel is critical to its success. The Group believes that it offers employees competitive compensation, it is able to attract and retain qualified personnel and that it has maintained a stable core management team. The Group's remuneration packages are generally structured with reference to market rates and individual merit. Salaries are normally reviewed annually, based on performance appraisals and other relevant criteria.

All of the Company's management and key executive officers, and a substantial number of the Company's other employees, have entered into employment agreements with the Company, which contain confidentiality and non-competition provisions.

The Group considers its current relations with its workforce to be good. It has not experienced any work stoppages, strikes or other labour problems in the past.

DESCRIPTION OF THE ISSUER

Overview

The Issuer was incorporated on 2 December 2013 and is registered as a company with limited liability under the laws of Hong Kong with company number 2005230. Its registered office is situated at Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

Business Activities

The Issuer is a direct wholly-owned subsidiary of ICBC Maritime, which in turn is indirectly wholly-owned by ICBC. The Issuer is an indirect wholly owned subsidiary of the Company, held through its wholly owned subsidiary, ICBC Maritime. The Issuer was established specifically for the purpose of raising funds through the issue of debt securities or entering into loans, and thereafter on-lending the net proceeds from such financing activities to companies within the Group. Serving as the centralised treasury function for the Company's overseas leasing operations, the Issuer has no other business operations. As at 31 December 2025, the Issuer had no employees.

Directors

As at the date of this Offering Circular, the directors of the Issuer and their business addresses are: Wang Liang: 18/F, No. 5 Building, No. 1 Yard, Yuetan South Street, Xicheng District, Beijing, China, Chan Suk On: Suites 1607-11 ICBC Tower, Three Garden Road, Central, Hong Kong and Yu Xiang: Suites 1607-11 ICBC Tower, Three Garden Road, Central, Hong Kong. From time to time, the directors of the Issuer may engage in other activities and have other interests which may conflict with the interests of the Issuer.

Share Capital

The authorised share capital of the Issuer is US$50,000 divided into 50,000 shares of US$1.00 each (the "**Shares**"). The Issuer has issued 50,000 ordinary shares to ICBC Maritime at par value of US$1.00 each. As at the date of this Offering Circular, all of the Shares issued are fully paid and wholly owned by ICBC Maritime. The Shares are not listed on any stock exchange and no listing or permission to deal in such Shares is being or is proposed to be sought as at the date of this Offering Circular.

Auditor

KPMG is the authorised auditor of the Issuer for the years ended 31 December 2024 and 2025. The address of KPMG is 8th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong.

DIRECTORS AND SENIOR MANAGEMENT

The members of the board of directors and senior management of the Company as at the date of this Offering Circular are as follows:

Board of Directors of the Company

Name	Position
Zhenghua Zhang	Chairman, Executive Director
Bao Zhang	Executive Director, Chief Executive Officer and Chief Compliance Officer
Yan Zhen	Executive Director and Deputy Chief Executive Officer
Jing Jin	Non-executive Director
Guoshen Sun	Non-executive Director
Cheng Zhang	Non-executive Director

Mr. Zhang Zhenghua is an Executive Director, Chairman, and Party Committee Secretary of the Company. Mr. Zhang joined ICBC in 1989. He was a Party Committee Member of ICBC Guizhou Branch and he served as the vice president of ICBC Guizhou Branch. He also served as vice manager of the Credit and Investment Management Department and the manager of Non-performing Assets Disposal Centre. Since September 2017, Mr. Zhang has successively held the positions of Party Secretary, General Manager, and Chairman at ICBC Financial Asset Investment Co., Ltd. Mr Zhang joined the Company in December 2020. Mr. Zhang holds a master's degree in Business Administration. He is a senior economist.

Mr. Zhang Bao is an Executive Director, Chief Executive Officer, Party Committee Deputy Secretary and Chief Compliance Officer of the Company. Mr. Zhang joined ICBC in 1989 and has worked in various capacities, including commercial credit, international business, investment banking, and corporate finance. He previously served as Party Secretary and Branch Manager of the Gannan Branch in Gansu Province, and as the General Manager of the Corporate Finance Department of the Gansu Provincial Branch. Since 2015, Mr. Zhang has been the Deputy General Manager of the Corporate Finance Department at ICBC. Mr. Zhang joined the Company in October 2021. Mr. Zhang holds a bachelor's degree in Economics and a master's degree in Business Administration. He is a senior economist.

Ms. Zhen Yan is an Executive Director, Deputy Chief Executive Officer, and Party Committee Member of the Company. Ms. Zhen joined ICBC in 1992. From April 2008, she successively held positions as Deputy General Manager of the Institutional Business Department, Deputy General Manager of the Finance and Accounting Department, General Manager of the Electronic Banking Department, and General Manager of the Personal Finance Department, among others, at the Shanxi Branch. She was the Party Secretary and Branch Manager of the Xinzhou Branch. In March 2018, she became a member of the Party Committee of the Shanxi Branch, and in April 2018, she was appointed as the Vice President of the Shanxi Branch, and in November 2020, she also took on the role of Laborers Union President. She joined the Company in June 2022. Ms. Zhen holds a bachelor's degree in Economics and is a senior economist.

Ms. Jin Jing is a Non-executive Director of the Company. Ms. Jin joined ICBC in July 1999 in the Management Information Department. From August 2004 to December 2009, she served as Deputy Director of the External Information Division of the Management Information Department. From December 2009 to September 2021, she served as Director of the External Information Division of the Management Information Department. From August 2018 to August 2019, she was seconded as the Assistant General Manager of Beijing State-Owned Assets Management Co., Ltd. Since September 2021, she has been an expert and full-time seconded director in the Strategic Investment Department at ICBC. Ms. Jin holds a master's degree in Economics and is a senior economist.

Mr. Sun Guoshen is a Non-executive Director of the Company. Mr. Sun joined the International Business Department at ICBC Head Office in May 1995. From August 2003 to September 2005, he served as the Deputy Director of the Overseas Business Management Division of the International Business Department at ICBC Head Office. From September 2005 to February 2006, he was the Deputy Director of the Foreign Exchange Fund Management Division within the Foreign Exchange Fund Department of the International Business Department at ICBC Head Office. From February 2006 to September 2006, he served as the Deputy Director of the Institutional Planning Division in the Overseas Institutions Management Department of the International Business Department at ICBC Head Office. From September 2006 to March 2007, he was the Deputy Director of the Foreign Exchange Fund Management Division in the Asset and Liability Management Department at ICBC Head Office. From March 2007 to May 2013, he was the Director of the Foreign Exchange Fund Management Division within the Asset and Liability Management Department at ICBC Head Office. From May 2013 to April 2016, he served as an expert in the Asset and Liability Management Department at ICBC Head Office. From April 2016 to October 2023, he acted as the Deputy General Manager of ICBC New York Branch. Since October 2023, he has been serving as a senior expert in the Strategic Management and Investor Relations Department at ICBC Head Office and as a full-time dispatched director. Mr. Sun holds a Ph.D. in Finance and is a senior economist.

Mr. Zhang Cheng is a Non-executive Director of the Company. Mr. Zhang joined the Project Credit Department at ICBC Head Office in April 1999. From August 2004, he successively served as Deputy Director of the Information Technology Industry Division of the Corporate Business Department, Deputy Director of the Internal Affairs Promotion Division of the Shareholding Reform Office, Deputy Director of the General Management Division and Information Disclosure Division of the Board of Directors Office, Director of the General Management Division of the Board of Directors Office, Director of the First Secretariat Division of the Board of Directors Office, and Expert of the General Sequence of the Board of Directors Office, at ICBC Head Office. From July 2014 to November 2016, he served as a Member of the Party Committee and the Vice President of ICBC Dalian Branch. From November 2016 to November 2020, he served as Deputy Director of the Board of Directors Office at ICBC Head Office. From November 2020 to April 2025, he served as a Member of the Party Committee and the Vice President of ICBC Fujian Branch. From April 2025, he has been serving as a senior expert of the Strategic Management and Investor Relations Department at ICBC Head Office. Mr. Zhang holds a Ph.D. in Finance and is a senior economist.

Senior Management of the Company

Name	Position
Zhenghua Zhang	Chairman, Executive Director
Bao Zhang	Executive Director, Chief Executive Officer and Chief Compliance Officer
Yan Zhen	Executive Director and Deputy Chief Executive Officer
Hongtao Li	Secretary of the Disciplinary Committee
Chang Chen	Deputy Chief Executive Officer
Zhenyong Wang	Deputy Chief Executive Officer and Chief Risk Officer
Lingyun Qu	Deputy Chief Executive Officer
Zhigang Jia	Deputy Chief Executive Officer Designate

Biographies of **Mr. Zhang Zhenghua**, **Mr. Zhang Bao** and **Ms. Zhen Yan** can be found in the Biographies of the Directors above. Biographies of the other senior executives are as follows.

Mr. Li Hongtao is a Member of the Party Committee and Secretary of the Disciplinary Committee of the Company. Mr. Li joined ICBC in 1994. From May 2009, he successively served as Deputy Director of the General Management Division of the Internal Audit Bureau, Director of the General Management Division and Director of the Internal Audit System Management Division, Expert of the Internal Audit Bureau and Expert of the Party Committee Inspection Office at ICBC Head Office. In September 2021, he served as Member of the Party Committee and Secretary of the Disciplinary Committee of ICBC Ningxia Branch. Mr. Li holds a master's degree in Economics and is a senior economist.

Ms. Chen Chang is a Party Committee Member and Deputy Chief Executive Officer. Ms. Chen joined ICBC in 1998 and has worked in various capacities at the Tianjin Branch, and the Capital Operations Department and Asset Liability Management Department at the Head Office. In July 2011, she served as a funds expert in the Asset Liability Management Department of the Head Office. She joined the Company in November 2017. Ms. Chen holds a master's degree in Economics and is a senior economist.

Mr. Wang Zhenyong is a Party Committee Member and Deputy Chief Executive Officer. Mr. Wang started working in 1992 and previously worked at Shandong Silk Industrial School, Oxford Cambridge International Group, Yintong Investment Consulting Company, and London Asia Capital Company. He joined the Company in May 2009, where he previously served as the head of the Equipment Finance Division, Compliance and Legal Department, and Asset Management Department. In November 2017, he became a member of the Party Committee of the Company, and in November 2018, he served as Deputy Chief Executive Officer. Mr. Wang holds a master's degree in Economics.

Ms. Qu Lingyun is Party Committee Member, Deputy Chief Executive Officer and Chief Risk Officer. Ms. Qu joined ICBC in 1998, and from 2004, she had served as Deputy Director and Director in various divisions of the Housing Credit Department (Consumer Credit Management Department), Risk Management Department, and Credit and Investment Management Department at the Head Office. In October 2017, she served as General Manager and Director of Transportation Finance Division of the Company and as head of the Risk Management Department of the Company. In December 2019, she served as Director of the First Division of the Credit and Investment Management Department at ICBC. Ms. Qu holds a master's degree in Business Administration and is an intermediate economist.

Mr. Jia Zhigang is a Member of the Party Committee and Deputy Chief Executive Officer Designate of the Company. Mr. Jia joined ICBC in 1994. From June 2015, he successively served as Deputy General Manager of the Human Resources Department and Deputy Director of the Party Committee Organisation Department of ICBC Shanxi Branch, Member of the Party Committee and the Vice President of ICBC Xinzhou Branch in Shanxi Province, and Deputy Director and Director of the Management Accounting Division of the Finance and Accounting Department at ICBC Head Office. In September 2021, he served as Member of the Party Committee and Deputy General Manager of ICBC Technology. Mr. Jia holds a master's degree in Management and is a senior economist.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, save for the words in italics and subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate(s) representing each Series. Either (i) the full text of these Conditions (as defined below) together with the relevant provisions of the Pricing Supplement or (ii) these Conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司 (the "**Issuer**") and are constituted by an amended and restated trust deed dated 6 May 2026 (as further amended, restated, or supplemented as at the date of issue of the relevant Tranche (the "**Issue Date**") and from time to time, the "**Trust Deed**") between the Issuer, ICBC Financial Leasing Co., Ltd. (工银金融租赁有限公司) (the "**Company**"), and Citicorp International Limited as trustee (the "**Trustee**", which expression shall include all persons for the time being acting as the trustee or trustees under the Trust Deed) for the Noteholders (as defined below). An amended and restated agency agreement dated 6 May 2026 (as further amended, restated, or supplemented as at the Issue Date and from time to time, the "**Agency Agreement**") has been entered into in relation to the Notes between the Issuer, the Company, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent, transfer agent and registrar, and Citicorp International Limited, as the CMU lodging and paying agent, and the other agents named in it. The issuing and paying agent, the CMU lodging and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**CMU Lodging and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent and the CMU Lodging and Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". In these Conditions references to the "**Agents**" are to the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar and the Transfer Agents and any reference to an "**Agent**" is to any one of them. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, with respect to a Series of Notes to be held in the Central Moneymarkets Unit Service operated by Hong Kong Monetary Authority (the "**CMU**"), be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly.

The Notes have the benefit of (i) a new keepwell and liquidity support deed dated 6 May 2026 (as further amended, restated, or supplemented as at the Issue Date and from time to time, the "**Keepwell and Liquidity Support Deed**") between the Issuer, ICBC Maritime Financial Leasing Company Limited 工銀航運金融租賃有限公司 ("**ICBC Maritime**"), the Company and the Trustee; and (ii) a new deed of asset purchase undertaking dated 6 May 2026 (as further amended, restated, or supplemented as at the Issue Date and from time to time, the "**Deed of Asset Purchase Undertaking**") between the Issuer, the Company, ICBC Maritime, and the Trustee. For the avoidance of doubt, (i) the amended and restated keepwell and liquidity support deed dated 24 April 2018 (as further amended, restated, or supplemented from time to time, the "**Original Keepwell and Liquidity Support Deed**") between the Issuer, ICBC International Leasing Co. Ltd., the Company and the Trustee and (ii) the deed of asset purchase undertaking dated 7 October 2015 (as further amended, restated, or supplemented from time to time, the "**Original Deed of Asset Purchase Undertaking**") between the Issuer, ICBC International Leasing Co. Ltd., the Company and the Trustee do not apply to any Notes issued on or after 6 May 2026. In the case of Notes issued prior to 6 May 2026, the terms of the Original Keepwell and Liquidity Support Deed and the Original Deed of Asset Purchase Undertaking in effect as at the time of such issuance shall continue in full force and effect.

These terms and conditions (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. The Noteholders are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking applicable to them. Copies of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking are available (i) for inspection upon prior written request during usual business hours (being between 9:00 a.m. and 3:00 p.m.) at the principal office of the Trustee (presently at 40th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong) and at the specified office of the Issuing and Paying Agent, or (ii) electronically through email from the Trustee or (as the case may be) the Issuing and Paying Agent upon a written request to agencytrust.tmg@citi.com, in each case upon proof of holding to the satisfaction of the Trustee or (as the case may be) the Issuing and Paying Agent.

The Noteholders, the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (such holders of Coupons and Talons, collectively, the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments (the "**Receiptholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects, and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series with such Tranche of Notes and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, the first Interest Payment Dates, Interest Commencement Dates (if applicable) and/or issue prices (if applicable).

1. Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") in each case in the Specified Denomination(s) shown hereon. No single Tranche or Series may comprise both Bearer Notes and Registered Notes.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest Basis and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes, in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below)

of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. No Exchange of Notes and Transfers of Registered Notes

(a) *No Exchange of Notes*: Registered Notes may not be exchanged for Bearer Notes. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) *Transfer of Registered Notes*: One or more Registered Notes may, subject to Condition 2(f) and the provisions of the Agency Agreement, be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed by the holder or holders thereof or the attorney or attorneys of such holder or holders duly authorised in writing, and any other evidence as the Registrar or the Transfer Agent may reasonably require. In the case of a transfer of only part of a holding of Registered Notes 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 Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement (the "**Regulations**"). 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 Noteholder upon written request and proof of holding and identity satisfactory to the Registrar.

(c) *Exercise of Options or Partial Redemption in Respect of Registered Notes*: In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent.

(d) *Delivery of New Certificates*: Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of a duly completed form of transfer, Put Exercise Notice (as defined in Condition 6(e)) or Exercise

Notice (as defined in Condition 6(f)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Put Exercise Notice, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Put Exercise Notice, Exercise Notice or otherwise in writing, be mailed by uninsured mail at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday or public holiday, on which commercial banks are generally open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) *Transfers Free of Charge*: Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Noteholders of any tax 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).

(f) *Closed Periods*: No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption, in whole or in part, by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption where not all the Notes are so called for redemption, (iv) during the period of seven days ending on (and including) any Record Date, or (v) after a Put Exercise Notice (as defined in Condition 6(e)) has been delivered in respect of the relevant Notes in accordance with Condition 6(e).

3. Status

The Notes and the Receipts and the Coupons relating to them 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 Notes and the Receipts and the Coupons relating to them shall, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application and subject to Condition 4(a), at all times rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations of the Issuer.

4. Covenants

(a) *Negative pledge*: So long as any Note remains outstanding (as defined in the Trust Deed),

(i) the Issuer shall not, and the Issuer shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest (save for Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Public External Indebtedness or guarantee or indemnity in respect of Public External Indebtedness without at the same time or prior thereto (A) securing the Notes equally and rateably therewith or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders; and

(ii) the Company has undertaken to the Trustee in the Keepwell and Liquidity Support Deed not to, and to procure its Principal Subsidiaries not to, create or permit to subsist any Security Interest (save for Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Public External Indebtedness or guarantee or indemnity in respect of Public External Indebtedness without at the same time or prior thereto (A) securing the Notes equally and rateably therewith or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

(b) *Rating maintenance*: Where the Notes are rated by one or more Rating Agencies, so long as such Note remains outstanding, save with the approval of an Extraordinary Resolution of Noteholders, the Issuer and the Company shall use their respective reasonable endeavours to maintain a rating on such Notes by a Rating Agency.

(c) *Financial statements etc.*: So long as any Note remains outstanding, each of the Issuer and the Company shall provide the Trustee with:

(i) a Compliance Certificate (on which the Trustee may rely as to such compliance) at the time of provision of the Company Audited Financial Reports;

(ii) a copy of the relevant Company Audited Financial Reports and the Issuer Audited Financial Reports (as the case may be) within 180 days of the end of each Relevant Period prepared in accordance with PRC GAAP or Hong Kong Financial Reporting Standards (as the case may be) (in each case, audited by an internationally recognised firm of independent accountants), **provided that** if such statements are not in English language, each of the Issuer and Company shall provide the Trustee with an English translation of the same translated by (x) an internationally recognised firm of accountants or (y) a professional translation service provider and checked by an internationally recognised firm of accountants, together with a certificate signed by an Authorised Signatory (as defined in the Trust Deed) of the Issuer or the Company (as the case may be) certifying that such translation is complete and accurate; and

(iii) a copy of the Company Unaudited Management Accounts within 135 days of the end of each Relevant Period prepared on a basis consistent with the Company Audited Financial Reports, **provided that** if such statements are not in English language, the Company shall provide the Trustee with an English translation of the same together with a certificate signed by an Authorised Signatory of the Company certifying that such translation is complete and accurate,

provided that, if at any time the capital stock of the Company or the Issuer is listed for trading on a recognised stock exchange, the Company or the Issuer may make available to the Trustee, as soon as they are available but in any event not more than 14 days after any financial or other reports of the Company or the Issuer are filed with the exchange on which the Company's or the Issuer's capital stock is at such time listed for trading, true and correct copies of any financial or other report filed with such exchange in lieu of the reports of the Company or the Issuer identified in this Condition 4(c).

The Trustee shall not be required to review the Company Audited Financial Reports, the Issuer Audited Financial Reports, the Company Unaudited Management Accounts or any other financial report furnished or delivered to it as contemplated in this Condition 4(c) and, if the same shall not be in the English language, shall not be required to request or obtain or arrange for an English language translation of the same, and the Trustee shall not be liable to any Noteholder or any other person for not doing so.

(d) *Obligation to acquire Assets*: In the event of a Triggering Event, the Company has agreed in the Deed of Asset Purchase Undertaking that it shall purchase (either by itself or through a Subsidiary of the Company as designated by it) certain Assets held by the Issuer, ICBC Maritime and/or any of their respective Subsidiaries (each a "**Relevant Transferor**") in the manner as set out in the Deed of Asset Purchase Undertaking in order to assist the Issuer under its obligations under the Notes and the Trust Deed. The Company has undertaken to the Trustee in the Deed of Asset Purchase Undertaking to procure ICBC Maritime and each Relevant Transferor to on-lend or otherwise transfer to the Issuer any payment (each an "**On-Loan**") received pursuant to the Deed of Asset Purchase Undertaking from the Company and to procure the Issuer to promptly apply all proceeds from each On-Loan and/or from any Asset sale by the Issuer itself pursuant to the Deed of Asset Purchase Undertaking towards satisfying its obligations under the Notes and the Trust Deed.

The Issuer shall take all actions necessary for the proceeds received from each On-Loan (if any) and/or from any Asset sale by the Issuer itself pursuant to the Deed of Asset Purchase Undertaking towards the payment in full of any outstanding amounts as they fall due under the Trust Deed and the Notes (including any interest accrued but unpaid on the Notes). Each of the Issuer and the Company has undertaken in the Deed of Asset Purchase Undertaking to procure that all obligations of the Issuer owing to ICBC Maritime or a Relevant Transferor, as the case may be, under each On-Loan shall be subordinated to sums payable and all obligations owing to the Trustee and the Noteholders by the Issuer, whether present or future, actual or contingent, and all claims, rights, damages, remedies and/or proceeds in respect of any or all of the foregoing.

In these Conditions:

"**Assets**" means the airplanes, ships, equipment and/or other assets held by a Relevant Transferor which is subject to the purchase pursuant to the Deed of Asset Purchase Undertaking, but which shall not include any share or share capital of a Relevant Transferor;

"**Company Audited Financial Reports**" means the annual audited consolidated balance sheet, income statement and cash flows statement of the Company and its Subsidiaries and statement of changes in owners' equity of the Company together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them;

"**Company Unaudited Management Accounts**" means the semi-annual unaudited consolidated balance sheet and consolidated income statement of the Company and its Subsidiaries together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them (if any);

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

(a) no Event of Default, other Triggering Event or an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 10, become an 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

(b) the Issuer and (in the case of the Company) each of the Issuer, ICBC Maritime and the Company have complied with all their respective obligations under the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking to which they are parties and the Notes, the Receipts, the Coupons and the Talons;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Issuer Audited Financial Reports**" means the annual audited statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows of the Issuer and its Subsidiaries and statement of changes in equity of the Issuer together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them;

"**National Export Credit Agency**" means any of Export-Import Bank of the United States or Export Credit Guarantee Department of the U.K. or Euler Hermes of Germany or COFACE of France or any other agency of the government of any country or quasi-government agency that provides guarantees to support the financing of equipment (including aircraft or parts thereof) exported from that country;

"**National Export Credit Agency Guaranteed Capital Markets Instrument**" means any Public External Indebtedness issued by an entity (not being the Issuer or a Principal Subsidiary) that is guaranteed by any National Export Credit Agency;

"**Net Assets**" means total assets less total liabilities;

"**Permitted Security Interest**" means:

(a) any Security Interest on any property or asset existing at the time of acquisition of such property or asset or to secure the payment of all or any part of the purchase price or construction cost thereof or to secure any indebtedness incurred prior to, or at the time of, such acquisition or the completion of construction of such property or asset for the purpose of financing all or any part of the purchase price or construction cost thereof;

(b) any lien arising by operation of law;

(c) any Security Interest on any property or asset securing Public External Indebtedness if (i) 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 issuer or the borrower 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) such indebtedness is not guaranteed by the Issuer, the Company or any Principal Subsidiary; and

(d) any Security Interest on any property or asset of the Issuer, the Company or any Principal Subsidiary which is created pursuant to any securitisation, repackaging or like arrangement in accordance with normal market practise;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**PRC**" means the People's Republic of China, which, for the purposes of these Conditions, shall not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

"**PRC GAAP**" means the Accounting Standards for Business Enterprises in the PRC;

"**Principal Subsidiary**" means any Subsidiary of the Company whose Net Assets, as shown by the accounts of such Subsidiary, based upon which the latest Company Audited Financial Reports have been prepared, are at least 10.0 per cent. of the Net Assets of the Group as shown by such Company Audited Financial Reports, **provided that** if any such Subsidiary (the "**Transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to the Company or another Subsidiary of the Company (the "**Transferee**") then (a) if the whole of the business, undertaking and assets of the Transferor shall be so transferred, the Transferor shall thereupon cease to be a Principal Subsidiary and the Transferee (unless it is the Company) shall thereupon become a Principal Subsidiary; and (b) if a substantial part only of the business, undertaking and assets of the Transferor shall be so transferred, the Transferor shall remain a Principal Subsidiary and the Transferee (unless it is the Company) shall thereupon become a Principal Subsidiary;

Any Subsidiary which becomes a Principal Subsidiary by virtue of (a) above or which remains or becomes a Principal Subsidiary by virtue of (b) above shall continue to be a Principal Subsidiary until the earlier of the date of issue of (i) the first Company Audited Financial Reports prepared as at a date later than the date of the relevant transfer which show the Net Assets as shown by the accounts of such Subsidiary, based upon which such Company Audited Financial Reports have been prepared, to be less than 10.0 per cent. of the Net Assets of the Group, as shown by such Company Audited Financial Reports or (ii) a report by the Group's auditors dated on or after the date of the relevant transfer which shows the Net Assets of such Subsidiary to be less than 10.0 per cent. of the Net Assets of the Group. A certificate by the Company that a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

"**Public External Indebtedness**" means any indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other similar instrument which (a) has an original maturity in excess of one year, (b) is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market), and (c) does not have the benefit of credit enhancement through a standby letter of credit, bank guarantee or other similar arrangement or instrument from a commercial bank, but excluding (x) any such indebtedness that is issued in the PRC and (y) any amounts owed in relation to a National Export Credit Agency Guaranteed Capital Markets Instrument, notwithstanding that such amounts are guaranteed directly or indirectly by the Issuer, the Company or a Principal Subsidiary;

"**Rating Agency**" means any one of Moody's Investors Service, Inc., Fitch Ratings Ltd. or Standard & Poor's Ratings Services and their respective successors;

"**Relevant Period**" means (a) in relation to the Company Audited Financial Reports and the Issuer Audited Financial Reports, each period of twelve months ending on the last day of their respective financial year (being 31 December of that financial year); (b) in relation to the Company Unaudited Management Accounts, each period of six months ending on the last day of its first half financial year (being 30 June of that financial year);

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**") whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person; and

"**Triggering Event**" means any of the following events:

(a) an Event of Default; or

(b) the Issuer's failure to provide the Trustee with a liquidity notice on or prior to the relevant liquidity notice date in accordance with the terms of the Deed of Asset Purchase Undertaking.

5. Interest and Other Calculations

(a) *Interest on Fixed Rate Notes*: Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) *Interest on Floating Rate Notes and Index Linked Interest Notes*:

(i) *Interest Payment Dates*: Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, "**Interest Payment Date**" shall mean each date which falls the number of months or other period shown hereon as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(iv) *ISDA Determination for Floating Rate Notes*: Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined in the manner specified hereon.

(v) *Screen Rate Determination for Floating Rate Notes (other than Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark)*:

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined and where the Reference Rate is not SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(A) the offered quotation; or

(B) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) or 11.15 a.m. (Hong Kong time in the case of CNH HIBOR) or if, at or around that time it is notified that the fixing will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. (Hong Kong time in the case of CNH HIBOR) on the relevant Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than EURIBOR or HIBOR or CNH HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(A) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(B) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR or CNH HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), or if the Reference Rate is CNH HIBOR, at approximately 11.15 a.m. (Hong Kong time) on the relevant Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request

of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) or, if the Reference Rate is CNH HIBOR, at approximately 11.15 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), or, if the Reference Rate is CNH HIBOR, at approximately 11.15 a.m. (Hong Kong time) on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone interbank market, or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(vi) *Linear Interpolation*

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period **provided however that** if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vii) *Rate of Interest for Index Linked Interest Notes*: The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(viii) *Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark:* If Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest applicable to the Notes for each Interest Accrual Period will, subject as provided below, be equal to the sum of the relevant SOFR Benchmark plus or minus (as specified hereon) the Margin (if any), all as determined by the Calculation Agent on the relevant Interest Determination Date.

The "**SOFR Benchmark**" will be determined based on Simple SOFR Average, Compounded SOFR Average or SOFR Compounded Index (as specified hereon), as follows (subject in each case to Condition 5(b)(x)):

(A) If Simple SOFR Average ("**Simple SOFR Average**") is specified hereon as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR reference rates for each day during such Interest Accrual Period, as calculated by the Calculation Agent, and where, if applicable and as specified hereon, the SOFR reference rate on the SOFR Rate Cut-Off Date shall be used for the days in the relevant Interest Accrual Period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Payment Date on which such Interest Accrual Period ends.

(B) If Compounded SOFR Average ("**Compounded SOFR Average**") is specified hereon as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where SOFR Observation Lag, SOFR Payment Delay or SOFR Lockout is specified hereon to determine Compounded SOFR Average) or SOFR Observation Period (where SOFR Observation Shift is specified as applicable hereon to determine Compounded SOFR Average).

Compounded SOFR Average shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified hereon:

1. SOFR Observation Lag:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_{i-\times USBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"$\mathbf{SOFR_{i\text{-}xUSBD}}$" for any U.S. Government Securities Business Day (i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate

for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day (i);

"**Lookback Days**" means such number of U.S. Government Securities Business Days as specified hereon;

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d_o**" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n_i**" for any U.S. Government Securities Business Day (i) in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day (i) up to (but excluding) the following U.S. Government Securities Business Day.

2. SOFR Observation Shift:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day (i) in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day (i);

"**SOFR Observation Period**" means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date on which such Interest Accrual Period ends;

"**SOFR Observation Shift Days**" means the number of U.S. Government Securities Business Days as specified hereon;

"**d**" means the number of calendar days in the relevant SOFR Observation Period;

"**d_o**" for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n_i**" for any U.S. Government Securities Business Day (i) in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day (i) up to (but excluding) the following U.S. Government Securities Business Day.

3. SOFR Payment Delay:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day (i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day (i);

"**Interest Payment Date**" shall be the date falling the number of Interest Payment Delay Days following each Interest Period Date (as specified hereon); **provided that** the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or the relevant date for redemption, as applicable;

"**Interest Payment Delay Days**" means the number of Business Days as specified hereon;

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d_o**" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n_i**" for any U.S. Government Securities Business Day (i) in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day (i) up to (but excluding) the following U.S. Government Securities Business Day.

For the purposes of calculating Compounded SOFR Average with respect to the final Interest Accrual Period where SOFR Payment Delay is specified hereon, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant date for redemption, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

4. SOFR Lockout:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day (i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day (i), except that the SOFR for any U.S. Government Securities Business Day (i) in respect of the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Payment Date on which such Interest Accrual Period ends shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date;

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d_o**" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n_i**" for any U.S. Government Securities Business Day (i) in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day (i) up to (but excluding) the following U.S. Government Securities Business Day.

The following defined terms shall have the meanings set out below for purpose of this Condition 5(b)(viii) and Condition 5(b)(x):

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

"**Reuters Page USDSOFR=**" means the Reuters page designated "USDSOFR=" or any successor page or service;

"**SOFR**" means, with respect to any U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

(i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator's Website;

(ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website; or

(iii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(b)(x) shall apply;

"**SOFR Determination Time**" means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

(C) If SOFR Compounded Index ("**SOFR Compounded Index**") is specified hereon as applicable, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**SOFR Index**", with respect to any U.S. Government Securities Business Day, means:

(i) the SOFR Index value as published on the SOFR Administrator's Website at or about 3:00 p.m. (New York time) on such U.S. Government Securities Business Day (the "**SOFR Index Determination Time**"); **provided that** in the event that the value originally published by the SOFR Administrator at or about 3:00 p.m. (New York time) on any U.S. Government Securities Business Day is subsequently corrected and such corrected value is published by the SOFR Administrator on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SOFR Index value as of the SOFR Index Determination Time in relation to such U.S. Government Securities Business Day; and

(ii) if a SOFR Index value does not so appear as specified in (i) above of this definition, then:

a. if a Benchmark Event (as defined in Condition 5(b)(x)) and its related Benchmark Replacement Date (as defined in Condition 5(b)(x)) have not occurred with respect to SOFR, then SOFR Compounded Index shall be the rate determined pursuant to 5(b)(viii)(E); or

b. if a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to SOFR, then SOFR Compounded Index shall be the rate determined pursuant to Condition 5(b)(x).

"**SOFR Index$_{End}$**" means, in respect of an Interest Accrual Period, the SOFR Index value on the date which is the number of U.S. Government Securities Business Days specified hereon preceding the Interest Payment Date on which such Interest Accrual Period ends (or in the final Interest Accrual Period, the Maturity Date);

"**SOFR Index$_{Start}$**" means, in respect of an Interest Accrual Period, the SOFR Index value on the date which is the number of U.S. Government Securities Business Days specified hereon preceding the first day of such Interest Accrual Period;

"**d_c**" means the number of calendar days in the relevant SOFR Observation Period;

"**SOFR Observation Shift Days**" means the number of U.S. Government Securities Business Days as specified hereon; and

"**SOFR Observation Period**" means, in respect of an Interest Accrual Period, the period from (and including) the date which is the number of SOFR Observation Shift Days preceding the first date of such Interest Accrual Period (and in respect of the first Interest Accrual Period, the number of SOFR Observation Shift Days preceding the Issue Date) to, but excluding, the date which is the number of SOFR Observation Shift Days preceding the Interest Payment Date on which such Interest Accrual Period ends (or in the final Interest Accrual Period, the Maturity Date).

(D) The following defined terms shall have the meanings set out below for purpose of this Condition 5(b)(viii):

"**SOFR Administrator**" means the Federal Reserve Bank of New York or any successor administrator of the SOFR Index value and Secured Overnight Financing Rate;

"**SOFR Administrator's Website**" means the website of the SOFR Administrator (currently being, https://apps.newyorkfed.org/markets/autorates/sofr-avg-ind), or any successor source;

"**SOFR Benchmark Replacement Date**" means the Benchmark Replacement Date with respect to the then-current SOFR Benchmark;

"**SOFR Benchmark Transition Event**" means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

"**SOFR Rate Cut-Off Date**" has the meaning specified hereon; and

"**U.S. Government Securities Business Day**" or "**USBD**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(E) **SOFR Index Unavailable**

If a SOFR Index value is not published on the relevant Interest Determination Date and a Benchmark Event (as defined in Condition 5(b)(x)) and its related Benchmark Replacement Date (as defined in Condition 5(b)(x)) has not occurred with respect to SOFR, then the SOFR Index shall be calculated in accordance with the Compounded SOFR formula and the related definitions as set out below in this Condition 5(b)(viii)(E):

"**Compounded SOFR**" means, for the applicable Interest Accrual Period for which the SOFR Index is not available, the rate of return on a daily compounded interest investment during the relevant SOFR Observation Period (with the daily SOFR reference rate as the reference rate for the calculation of interest) and calculated by the Calculation Agent in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d_c}$$

where:

"**d_c**" means the number of calendar days in the relevant SOFR Observation Period;

"**d_o**" means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"**i**" means a series of whole numbers ascending from one to d_o, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a "**U.S. Government Securities Business Day (i)**");

"**n_i**" for any U.S. Government Securities Business Day (i) in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day (i) up to (but excluding) the following U.S. Government Securities Business Day (i);

"**$SOFR_i$**" for any U.S. Government Securities Business Day (i) in the relevant SOFR Observation Period, is equal to SOFR in respect of that U.S. Government Securities Business Day (i);

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

"**Reuters Page USDSOFR=**" means the Reuters page designated "USDSOFR=" or any successor page or service;

"**SOFR**" means, with respect to any U.S. Government Securities Business Day:

(i) the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Bloomberg Screen SOFRRATE Page, the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Reuters Page USDSOFR=, or the Secured Overnight Financing Rate that appears at the SOFR Determination Time on the SOFR Administrator's Website; or

(ii) if the rate specified in (a) above does not appear, the SOFR published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York or any successor administrator of the SOFR Index value and Secured Overnight Financing Rate;

"**SOFR Administrator's Website**" means the website of the SOFR Administrator (currently being, https://apps.newyorkfed.org/markets/autorates/sofr-avg-ind), or any successor source;

"**SOFR Determination Time**" means on or about 3:00 p.m. (New York City time) on the SOFR Administrator's Website on the immediately following U.S. Government Securities Business Day;

"**SOFR Observation Period**" means, in respect of each Interest Accrual Period, the period from (and including) the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first date in such Interest Accrual Period to (but excluding) the date falling a number of U.S. Government Securities Business Days equal to the number of Observation Shift Days preceding the Interest Payment Date on which such Interest Accrual Period ends;

"**SOFR Observation Shift Days**" means the number of U.S. Government Securities Business Days as specified hereon; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(ix) ***Benchmark Replacement for Notes (other than Notes where the Reference Rate is specified as being SOFR Benchmark)***

Where the reference Rate is not SOFR Benchmark, in addition and notwithstanding the provisions above in Condition 5(b), if the Issuer determines that a Benchmark Event (as defined in Condition 5(b)(ix)(G)) has occurred in relation to the relevant Reference Rate specified hereon when any Rate of Interest (or the relevant component part thereof) remains to be determined by such Reference Rate, then the following provisions shall apply:

(A) the Issuer shall use all reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in a reasonable manner), no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Accrual Period (the "**IA Determination Cut-off Date**"), a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate for the purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;

(B) if the Issuer (acting in a reasonable manner) is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in a reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;

(C) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Accrual Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(b)(ix)); **provided, however, that** if sub-paragraph 5(b)(ix)(B) applies and the Issuer (acting in a reasonable manner) is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last

determined in relation to the Notes in respect of the preceding Interest Accrual Period (or alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the initial Rate of Interest) (subject, where applicable, to substituting the Margin, Maximum Rate of Interest or Minimum Rate of Interest that applied to such preceding Interest Accrual Period for the Margin, Maximum Rate of Interest or Minimum Rate of Interest that is to be applied to the relevant Interest Accrual Period); for the avoidance of doubt, the proviso in this sub-paragraph shall apply to the relevant Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(b)(ix);

(D) if the Independent Adviser or the Issuer (acting in a reasonable manner) determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, if such changes are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in a reasonable manner) (as applicable), determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (acting in a reasonable manner) (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. The Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required to give effect to this Condition 5(b)(ix), **provided that** the Issuing and Paying Agent shall not be bound by or be obliged to give effect to any Successor Rate or Alternative Reference Rate (as applicable) or other consequential changes, if in the reasonable opinion of the Issuing and Paying Agent, the same would not be operable or would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement and/or the relevant Pricing Supplement(s). Noteholder, Couponholder or Receiptholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Issuing and Paying Agent (if required);

(E) the Issuer shall give a written notice to the Issuing and Paying Agent and the Calculation Agent which specify the determination of the Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions and their effective dates at least five Business Days (or such shorter period as may be agreed by the Issuing and Paying Agent) prior to the first date on which the relevant calculation is to be made by the Calculation Agent; and

(F) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Noteholders, Couponholders and or Receiptholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions,

provided that the determination of any Successor Rate or Alternative Reference Rate, and any other related changes to the Notes, shall be made in accordance with applicable law. None of the Trustee or the Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or the Independent Adviser with respect to the Successor Rate, Alternative Reference Rate or any other changes and shall be entitled to rely conclusively on any certifications provided to it in this regard.

(G) The following defined terms shall have the meanings set out below for purpose of Condition 5(b)(ix):

"**Adjustment Spread**" means (a) a spread (which may be positive or negative or zero) or (b) a formula or methodology for calculating a spread, in each case required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(1) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(2) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in a reasonable manner) (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

(3) if the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in a reasonable manner) (as applicable) determines that no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in a reasonable manner) to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this sub-paragraph (3) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders, Couponholders and or Receiptholders.

"**Alternative Reference Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Accrual Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent

Adviser or the Issuer (as applicable) determines in its discretion (acting in a reasonable manner) is most comparable to the relevant Reference Rate;

"**Benchmark Event**" means, in respect of a Reference Rate for Notes (other than Notes where the Reference Rate is specified as being SOFR Benchmark):

(1) such Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;

(2) a public statement by the administrator of such Reference Rate that it has ceased or will cease publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate);

(3) a public statement by the supervisor of the administrator of such Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued;

(4) a public statement by the supervisor of the administrator of such Reference Rate that means such Reference Rate will be prohibited from being used either generally or in respect of the Notes or that its use will be subject to restrictions or adverse consequences;

(5) a public statement by the supervisor of the administrator of such Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market or the methodology to calculate such Reference Rate has materially changed; or

(6) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder, Couponholder or Receiptholder using such Reference Rate,

provided that in the case of sub-paragraphs (2), (3) and (4) of this definition, the Benchmark Event shall occur on the date of the cessation of publication of such Reference Rate, the discontinuation of such Reference Rate, or the prohibition of use of such Reference Rate, as the case may be, and not the date of the relevant public statement;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser of recognised standing and with appropriate expertise, in each case appointed by the Issuer at its own expense;

"**Relevant Nominating Body**" means, in respect of a reference rate:

(1) the central bank for the currency to which the reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; or

(2) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the

administrator of the reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof;

"**Successor Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body;

(x) ***Benchmark Replacement (SOFR Benchmark)***

The following provisions shall apply if Benchmark Event (SOFR) is specified as applicable hereon:

(A) *Benchmark Replacement*

If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the-then current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

(B) *Benchmark Replacement Conforming Changes*

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, any of the Agents shall, at the direction and expense of the Issuer, be obliged to effect such consequential amendments to the Agency Agreement and these Conditions as may be required to give effect to this Condition 5(b)(x). Noteholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by any of the Agents (if required). Further, none of the Trustee, the Calculation Agent or the Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) *Decisions and Determinations*

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5(b)(x), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error, (ii) will be made in the sole discretion of the Issuer or its designee, as applicable, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders or any other party.

The following defined terms shall have the meanings set out below for purpose of Condition 5(b)(viii) and this Condition 5(b)(x):

"**Benchmark**" means, initially, the relevant SOFR Benchmark specified hereon; **provided that** if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then "**Benchmark**" means the applicable Benchmark Replacement;

"**Benchmark Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(1) the sum of (x) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and (y) the Benchmark Replacement Adjustment;

(2) the sum of (x) the ISDA Fallback Rate and (y) the Benchmark Replacement Adjustment; or

(3) the sum of (x) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Notes at such time; and (y) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(1) in the case of sub-paragraph (1) or (2) of the definition of "Benchmark Event", the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(2) in the case of sub-paragraph (3) of the definition of "Benchmark Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**designee**" means a designee as selected and separately appointed by the Issuer in writing;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded SOFR Average is specified hereon) or SOFR Index Determination Time (where SOFR Compounded Index is specified hereon); or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(c) *Zero Coupon Notes*: Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) *Dual Currency Notes*: In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) *Partly Paid Notes*: In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) *Accrual of Interest*: Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(g) *Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding*:

(i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

(ii) If any maximum or minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (**provided that** if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the countries of such currency.

(h) *Calculations*: The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

*So long as the Notes are represented by a Global Note or Global Certificate which is held on behalf of Euroclear Bank SA/NV ("**Euroclear**"), Clearstream Banking S.A. ("**Clearstream**")*, the CMU or any other clearing system, the Interests in respect of the Notes

shall be calculated based on the aggregate nominal amount of the Notes represented by the Global Note or Global Certificate.

(i) *Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:*

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangement may be made for the adjustment thereof) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5 but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*: In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) in the case of a currency other than euro or Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which T2 is operating (a "**TARGET Business Day**"); and/or

(iii) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or

(iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday, a Sunday or public holiday) on which commercial banks and foreign

exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual — ISDA**" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/365 (Sterling)**" is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Equation} = \frac{[360 \times (y2 - y1)] + 30 \times [(M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Equation} = \frac{[360 \times (y2 - y1)] + 30 \times [(M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vii) if "**30E/360 (ISDA)**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Equation} = \frac{[360 \times (y2 - y1)] + 30 \times [(M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

(viii) if "**Actual/Actual-ICMA**" is specified hereon,

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s);

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified hereon;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR; or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong dollars nor Renminbi; or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR;

"**Interest Period**" means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified hereon;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified hereon;

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time, including the 2021 ISDA Interest Rate Derivatives Definitions (as amended or supplemented from time to time);

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon;

"**Reference Banks**" means in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market and, in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market, in each case selected by the Calculation Agent or as specified hereon;

"**Reference Rate**" means the rate specified as such hereon;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service);

"**Specified Currency**" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated; and

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system.

(k) *Calculation Agent:* The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note, Receipt or Coupon is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with prior notification to the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. Redemption, Purchase and Options

(a) *Redemption by Instalments and Final Redemption*:

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount, in each case together with interest accrued to (but excluding) the date of redemption.

(b) *Early Redemption*:

(i) *Zero Coupon Notes*:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below of this Condition 6(b)(i), the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if

none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above of this Condition 6(b)(i), except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(b)(viii).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in Condition 6(b)(i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) *Redemption for Taxation Reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above), together with interest accrued to (but excluding) the date fixed for redemption, if:

(i) the Issuer has or will become obliged to pay the Additional Amounts, as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Hong Kong or PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes or, in the case of a jurisdiction in which the Issuer was not tax resident on such date, after the date the Issuer became tax resident in such jurisdiction;

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, however, that, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts if a payment in respect of the Notes were then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee:

(A) a certificate signed by any Authorised Signatory of the Issuer, stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

(B) an opinion in form and substance satisfactory to the Trustee of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Amounts as a result of such change or amendment.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in (i), and (ii) above, in which event they shall be conclusive and binding on the Noteholders. Upon the expiry of any such notice as is referred to in this Condition 6(c), the Issuer shall be bound to redeem the Notes in accordance with this Condition 6(c).

(d) *Redemption at the Option of the Issuer*: If Issuer Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date specified hereon. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to (but excluding) the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes, shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be redeemed, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) *Redemption for Change of Control*:

At any time following the occurrence of a Change of Control, the Issuer shall, at the option of the holder of any Note (the "**CoC Put Option**") redeem such Note on the Put Settlement Date at a price equal to 101 per cent. of its Early Redemption Amount together with interest accrued to (but excluding) such date. In order to exercise the CoC Put Option, the holder of a Note must, within 30 days (i) following a Change of Control or (ii) following (if later) the day upon which the Issuer gives such relevant notice to Noteholders in accordance with Condition 16, deposit, in the case of Bearer Notes, the Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent, or, in the case of Registered Notes, the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed and signed notice of redemption (a "**Put Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). The "**Put Settlement Date**" shall be the 14th day after the expiry of such period of 30 days as referred to above.

No Note or Certificate, once deposited with a duly completed Put Exercise Notice in accordance with this Condition 6(e), may be withdrawn; **provided, however, that** if, prior to the Put Settlement Date, the Notes evidenced by any Note or Certificate so deposited

become immediately due and payable or, upon due presentation of any Note or Certificate on the Put Settlement Date, payment of the redemption moneys is improperly withheld or refused, such Note or Certificate shall, without prejudice to the exercise of the CoC Put Option, be returned to the holder by uninsured first class mail (airmail if overseas) at the address specified by such holder in the relevant Put Exercise Notice.

Following the occurrence of a Change of Control, the Issuer shall give notice to Noteholders and the Trustee in accordance with Condition 16 by not later than 10 business days (as defined in the Trust Deed) following the first day on which it becomes aware of the occurrence of a Change of Control, which notice shall specify the procedure for exercise by Noteholders of their rights to require redemption of the Notes pursuant to this Condition 6(e).

While any Bearer Note that was issued in accordance with the D Rules is held in the form of a temporary Global Note, the right described in this Condition 6(e) will be available only to the extent that non-U.S. beneficial ownership certification has been received by the Issuer or its agent pursuant to the D Rules.

For the purposes of this Condition 6(e):

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

(i) the Controlling Persons cease to, directly or indirectly, have Control of the Company; or

(ii) the Company ceases to have Control of the Issuer or ICBC Maritime.

"**Control**" means (where applicable), with respect to a Person, (i) the ownership, acquisition or control of 51 per cent. or more of the voting rights of the issued share capital of such Person, whether obtained directly or indirectly or (ii) the right to appoint and/or remove a majority of the members of the 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 or (iii) the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, and for the avoidance of doubt, a Person "**Controls**" another Person so long as it satisfies any of (i), (ii) or (iii) herein in relation to the other Person;

"**Controlling Persons**" mean Industrial and Commercial Bank of China Limited or its successor; and

a "**Person**", as used in Condition 6(e), includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

(f) *Redemption at the Option of Noteholders*: If Investor Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) specified hereon at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit, in the case of Bearer Notes, such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any

Paying Agent, or, in the case of Registered Notes, the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (an "**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

While any Bearer Note that was issued in accordance with the D Rules is held in the form of a temporary Global Note, the right described in this Condition 6(f) will be available only to the extent that non-U.S. beneficial ownership certification has been received by the Issuer or its agent pursuant to the D Rules.

(g) *Partly Paid Notes*: Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified hereon.

(h) *Purchases*: Each of the Issuer, the Company and any of their respective Subsidiaries may at any time purchase Notes (**provided that** all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. All Notes purchased by or on behalf of the Issuer, the Company or any of their respective Subsidiaries may be held, reissued, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). The Notes so purchased, while held by or on behalf of the Issuer, the Company or any such Subsidiary, shall not entitle the holder to vote at any meetings of the holders and shall not be deemed 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 and Condition 11(a) and as provided in the Trust Deed.

(i) **No Relationship of Agency or Trust:** Notwithstanding the deposit of any Notes with the Paying Agent, the Registrar or the Transfer Agent, the Paying Agent, the Registrar or the Transfer Agent acts solely as an agent of the Issuer and the Company, or as the case may be, the Trustee, 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 Notes, Coupons or Talons or any other third party.

7. Payments and Talons

(a) *Bearer Notes*: Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and **provided that** the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be:

(i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with, a Bank; and

(ii) in the case of Renminbi, by transfer from the Paying Agent's office outside the United States to a Renminbi account maintained by or on behalf of the Noteholder with a Bank in Hong Kong.

In this Condition 7(a) and in Condition 7(b), "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to T2.

(b) *Registered Notes:*

(i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made to the Noteholder against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b)(ii).

(ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made:

(A) in the case of a currency other than Renminbi, in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank; and

(B) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 7(b)(ii), "**registered account**" means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(c) *Payments in the United States*: Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in U.S. dollars in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to Laws*: Payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 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, any intergovernmental agreement with respect thereto, or any law implementing an

intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders, Couponholders or Receiptholders in respect of such payments.

(e) *Appointment of Agents*: The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the other Paying Agents, the Registrar, the other Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder, Couponholder or Receiptholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, **provided that** the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) one or more Calculation Agent(s) where these Conditions so require, and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer may appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(c) above.

Notice of any such termination or appointment or any change of any specified office of an Agent shall promptly be given by the Issuer to the Noteholders in accordance with Condition 16.

(f) *Unmatured Coupons and Receipts and unexchanged Talons*:

(i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes), such Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity and/or security as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) *Talons*: On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) *Non-Business Days*: If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, "**business day**" means a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for business in Hong Kong and the relevant place of presentation in such jurisdictions as shall be specified as "**Financial Centres**" hereon, and:

(i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day; or

(iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8. Taxation

All payments of principal, premium (if any) and interest in respect of the Notes, the Receipts and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Hong Kong or the PRC or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. Where such withholding or deduction is made by the Issuer as a result of the Issuer being deemed by PRC tax authorities to be a PRC tax resident at the rate applicable on the date on which agreement is reached to issue the first Tranche of the Notes (the "**Applicable Rate**"), the Issuer will pay such additional amounts as will result in receipt by the

Noteholders, Couponholders and Receiptholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

In the event that the Issuer is required to make such deduction or withholding (in the case of PRC taxes, in excess of the Applicable Rate), the Issuer shall pay such additional amounts (the "**Additional Amounts**") as will result in receipt by the Noteholders, Couponholders and Receiptholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts or additional amounts payable under the preceding paragraph (either, as the case may be, "**Additional Tax Amounts**") shall be payable in respect of any Note, Receipt or Coupon:

(a) held by a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note, Receipt or Coupon; or

(b) where (in the case of a payment of principal or interest on redemption) the relevant Note, Receipt or Coupon is surrendered for payment (where presentation is required) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such Additional Tax Amounts if it had surrendered the relevant Note, Receipt or Coupon on the last day of such period of 30 days.

Each of the Issuer or any of its agents making a payment on its behalf shall be permitted to withhold or deduct from any payment of principal or interest any amounts paid with respect to any tax, duty, assessment or governmental charge (i) required to be withheld or deducted by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**"), any current or future U.S. Treasury Regulations or rulings promulgated hereunder, any intergovernmental agreement between the United States and any other jurisdiction pursuant to the implementation of FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or any intergovernmental agreement with respect thereto, or any other agreement with the U.S. Treasury pursuant to the implementation of FATCA ("**FATCA withholding**"), (ii) imposed other than by way of withholding or (iii) imposed on a payment to a Noteholder, Couponholder or Receiptholder that is a fiduciary, partnership or person other than the beneficial owner to the extent that under the tax laws of the relevant taxing jurisdiction the payment would be required to be included in the income of a settlor or beneficiary with respect to such fiduciary, a partner of such partnership or the beneficial owner and such settlor, beneficiary, partner or beneficial owner would not have been entitled to receive Additional Tax Amounts had it been the Noteholder, Couponholder or Receiptholder. The Issuer, the Trustee, the Paying Agents and their respective agents will have no liability for or have any obligation to pay Additional Tax Amounts in respect of any such FATCA withholding.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received by the Paying Agent or the Trustee 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 Noteholders.

Any reference in these Conditions to principal, redemption price, premium or interest shall be deemed to include any Additional Tax Amounts in respect of principal, premium (if any) or interest (as the case may be) which may be payable under this Condition 8 or any undertaking given in addition to or in substitution of this Condition 8 pursuant to the Trust Deed.

If payments on the Notes by or on behalf of the Issuer become subject at any time to any taxing jurisdiction other than Hong Kong or the PRC, references in these Conditions to Hong Kong or the PRC shall be construed as references to Hong Kong, the PRC and/or such other jurisdiction.

Neither the Trustee nor the Agents shall be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 8 or for determining whether such amounts are payable or the amount thereof, and shall not be responsible or liable for any failure by the Issuer, the Company, Noteholders or any other person to pay such tax, duty, charges, withholding or other payment.

9. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

If any of the following events (each, an "**Event of Default**") occurs, then the Trustee at its discretion may and, if so requested in writing by holders of at least one quarter of the aggregate nominal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or pre-funded and/or secured to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Redemption Amount together with (if applicable) accrued interest without further action or formality:

(a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Notes within 21 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 21 days of the due date for payment thereof; or

(b) *Breach of other obligations*: the Issuer or the Company defaults in the performance or observance of any of its other obligations under or in respect of the Notes, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Trust Deed (other than where it gives rise to a right of redemption pursuant to Condition 6(e)) and such default (x) is incapable of remedy or (y) being a default which is capable of remedy remains unremedied for 45 days after the Trustee has given written notice thereof to the Issuer and the Company; or

(c) *Cross-acceleration of Issuer, ICBC Maritime, Company or Principal Subsidiary*:

(i) any indebtedness of the Issuer, ICBC Maritime, the Company or any Principal Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Issuer, ICBC Maritime, the Company or (as the case may be) the relevant Principal Subsidiary or (**provided that** no event of default, howsoever described, has occurred) any person entitled to such indebtedness; or

(iii) the Issuer, ICBC Maritime, the Company or any Principal Subsidiary fails to pay when due any amount payable by it under any guarantee of any indebtedness,

provided that the amount of indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any guarantee referred to in sub-paragraph (iii) above, individually or in the aggregate, exceeds U.S.$50,000,000 (or its equivalent in any other currency or currencies); or

(d) *Unsatisfied judgement*: one or more judgement (s) or order(s) for the payment of any amount exceeding U.S.$50,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer, ICBC Maritime, the Company or any Principal Subsidiary, such judgement continue(s) unsatisfied and unstayed for a period of 60 days after the date(s) thereof or, if later, the date therein specified for payment and no further appeal or judicial review from such judgement is permissible under applicable law; or

(e) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets or revenues of the Issuer, ICBC Maritime, the Company or any Principal Subsidiary, which has a material adverse effect on the ability of the Issuer, ICBC Maritime or the Company to perform and comply with their respective obligations or take actions under and in respect of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking; or

(f) *Insolvency, etc.*: (i) the Issuer, ICBC Maritime, the Company or any Principal Subsidiary becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer, ICBC Maritime, the Company or any Principal Subsidiary or the whole or a substantial part of the undertaking, assets and revenues of the Issuer, ICBC Maritime, the Company or any Principal Subsidiary, (iii) the Issuer, ICBC Maritime, the Company or any Principal Subsidiary takes any action for a readjustment or deferment of a substantial part of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of a substantial part of its indebtedness or any guarantee of a substantial part of its indebtedness given by it, in each case, except on terms approved by an Extraordinary Resolution of the Noteholders; or

(g) *Winding up, etc.*: (i) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, ICBC Maritime, the Company or any Principal Subsidiary or (ii) the Issuer, ICBC Maritime, the Company or any Principal Subsidiary ceases or threatens to cease to carry on all or a substantial part of its business except (A) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation while solvent or on terms approved by an Extraordinary Resolution of the Noteholders, or (B) in the case of a Principal Subsidiary, the Issuer or ICBC Maritime, whereby the undertaking and assets of such Principal Subsidiary, the Issuer or ICBC Maritime are transferred to or otherwise vested in the Company, the Issuer, ICBC Maritime or any of their respective Subsidiaries, or (C) a members' voluntary solvent winding-up of any Principal Subsidiary, or (D) in the case of a Principal Subsidiary, any disposal or sale of a Principal Subsidiary to any other person on arms' length terms for market consideration; or

(h) *Analogous event*: any event occurs which under the laws of Hong Kong or the PRC has an analogous effect to any of the events referred to in paragraphs (d) to (g) above; or

(i) *Failure to take action, etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer, ICBC Maritime and the Company lawfully to enter into and exercise their respective rights under and in respect of, and to enable the Issuer and the Company lawfully to perform and comply with their respective obligations under and in respect of, the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, (ii) to ensure that those obligations of the Issuer and the Company are legal, valid, binding and enforceable and (iii) to make the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase

Undertaking admissible in evidence in the courts of the PRC and Hong Kong, as the case may be, is not taken, fulfilled or done; or

(j) *Unlawfulness*: it is or will become unlawful for the Issuer or the Company to perform or comply with any of their respective obligations under or in respect of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking; or

(k) *Keepwell and Liquidity Support Deed and Deed of Asset Purchase Undertaking*: the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking is not (or is claimed by the Company to not be) enforceable, valid, in full force and effect, or any of the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking is modified, amended or terminated other than in accordance with its terms or these Conditions.

11. Meetings of Noteholders, Modification and Waiver

(a) *Meetings of Noteholders*: The Trust Deed contains provisions for convening meetings (including by way of teleconference and video conference calls) of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Company (acting together) or by the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate nominal amount of the outstanding Notes and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing more than half of the aggregate nominal amount of the outstanding Notes or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented; **provided, however, that** certain proposals (including any proposal (i) to change any date fixed for payment of principal or interest in respect of the Notes, (ii) to reduce the amount of principal or interest payable on any date in respect of the Notes, (iii) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, (iv) to change the currency of payments under the Notes, (v) to cancel or amend the terms of the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement, in each case, otherwise than in accordance with Condition 11(b), (vi) to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution or (vii) amending this proviso (each, a "**Reserved Matter**")) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than two-thirds or, at any adjourned meeting, one quarter of the aggregate nominal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of Noteholders holding not less than 90 per cent. of the aggregate nominal amount of the outstanding Notes who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders or by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

So long as the Notes are represented by a Global Note or Global Certificate, Extraordinary Resolution includes a consent given by way of electronic consents through the relevant clearing system (s) (in a form satisfactory to the Trustee) by or on behalf of holders of not less than 90 per cent. in nominal amount of the Notes for the time being outstanding.

(b) *Modification and waiver*: The Trustee may, without the consent of the Noteholders, agree to any modification of these Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement (other than in respect of a Reserved Matter) which is, in the opinion of the Trustee not materially prejudicial to the interests of Noteholders and to any modification of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such authorisation, waiver or modification shall be binding on the Noteholders and any such authorisation, waiver or modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter.

(c) *Directions from Noteholders*: Notwithstanding anything to the contrary in these Conditions or the Trust Deed, whenever the Trustee is required or entitled by the terms of these Conditions, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking to exercise any discretion or power, take any action, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction or certification, to seek directions from the Noteholders by way of an Extraordinary Resolution and shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all action, proceedings, claims and demands to which it may be or become liable and all costs, charges, damages, expenses (including legal expenses) and liabilities which may be incurred by it in connection therewith, and the Trustee is not 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 or certification where the Trustee is seeking such directions.

(d) *Entitlement of the Trustee*: In the exercise of its functions, rights, powers and discretions under these Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Trustee will have regard to the interests of the Noteholders, Couponholders and Receiptholders as a class and will not be responsible for any consequence for individual Noteholders, Couponholders or Receiptholders as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

12. Enforcement

The Trustee may at any time, at its discretion and without notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement, but it shall not be bound to do so unless:

(a) it has been so requested in writing by the holders of at least one quarter of the aggregate nominal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(b) it has been indemnified and/or pre-funded and/or secured to its satisfaction.

No Noteholder, Couponholder or Receiptholder may proceed directly against the Issuer or the Company unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

13. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including, without limitation, provisions relieving it from taking such steps and/or actions and/or instituting such proceedings to enforce payment unless first indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee and any entity associated with the Trustee is entitled to enter into business transactions with the Issuer, the Company and any entity related to the Issuer or the Company without accounting for any profit.

The Trustee may rely without liability to Noteholders or to other person on a report, advice, opinion, information, confirmation or certificate from any lawyers, valuers, accountants (including the auditors, surveyors), auctioneers, brokers, 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 or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation, certificate, opinion or advice shall be binding on the Issuer, the Company, the Trustee and the Noteholders.

The Trustee shall have no obligation to monitor whether an Event of Default or Change of Control has occurred, and shall not be liable to Noteholders, Couponholders or Receiptholders or any other person for not so doing.

14. Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts,

Coupons or further Coupons) and otherwise as the Issuer or the relevant Agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15. Further Issues

The Issuer may from time to time without the consent of the Noteholders, Couponholders or Receiptholder create and issue further notes either (a) having the same terms and conditions as the outstanding notes of any Series in all respects (or in all respects save for the Issue Dates, the first Interest Payment Dates, Interest Commencement Dates (if applicable) and/or issue prices (if applicable)) and so that such additional notes shall be consolidated and form a single Series with the outstanding notes of that Series constituted by the Trust Deed or (b) upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition and forming a single Series with the Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other Series in certain circumstances where the Trustee so decides.

In the case of further Bearer Notes which are issued in accordance with the D Rules (and therefore must be initially represented by a temporary Global Note exchangeable for interests in a permanent Global Note or Definitive Notes), any consolidation of such further Bearer Notes with outstanding Bearer Notes into a single Series can only occur following the exchange of interests in the temporary Global Note for interests in the permanent Global Note or Definitive Notes upon certification of non-U.S. beneficial ownership.

16. Notices

Notices to the holders of Registered Notes shall be sent to them by ordinary mail at their respective addresses in the Register and deemed to have been given on the fourth day after the date of mailing and, so long as the Notes are listed on any stock exchange and the rules of that stock exchange so require, duly published in a manner that complies with the rules and regulations of such stock exchange.

Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Asia and, so long as the Notes are listed on any stock exchange and the rules of that stock exchange so require, duly published in a manner that complies with the rules and regulations of such stock exchange. If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. Couponholders and Receiptholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of Euroclear or Clearstream or any other clearing system or deposited with a sub-custodian for and registered in the name of the Hong Kong Monetary Authority as operator of the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by these Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate.

17. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

18. Governing Law and Jurisdiction

(a) *Governing law*: The Notes, the Receipts, the Coupons, the Talons, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement and any disputes or claims arising out of or in connection with any of them or their subject matter or formation (including any non-contractual disputes or claims arising out of or in connection with any of them) shall be governed by and construed with the law of England and Wales.

(b) *Jurisdiction*: The courts of Hong Kong shall have exclusive jurisdiction to settle any disputes or claims (a "**Dispute**") that may arise out of or in connection with the Notes, the Coupons, the Talons, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement or their subject matter or formation (including any non-contractual disputes or claims) and all agreements concluded thereunder and accordingly any legal action or proceedings arising out of or in connection with the Notes, the Coupons, the Talons, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement and all agreements concluded thereunder ("**Proceedings**") may be brought in such courts. Each of the Issuer, the Company and the Trustee agrees that the courts of Hong Kong are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary. Each of the Issuer, the Company and the Trustee irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts, including on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) *Service of Process*: The Company irrevocably appoints the Issuer at its registered office (currently at Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong) to receive for it or on its behalf service of process in Hong Kong. Service upon the Issuer shall be deemed valid service upon the Company, as the case may be, whether or not the process is forwarded to or received by the Company. The Company shall inform the Trustee in writing of any change in the Issuer's address, as set out in its acceptance of appointment, within 28 days of such change. If for any reason the Issuer shall cease to be able to act as agent for service of process or to have an address in Hong Kong, the Company shall forthwith appoint a new agent for service of process in Hong Kong and deliver to the Trustee a copy of the new agent's written acceptance of that appointment within 30 days of such cessation. Nothing in this paragraph shall affect the right of the Trustee to serve process in any other manner permitted by law.

(d) *Waiver of Immunity*: To the extent that the Issuer or the Company may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or the Company or their respective assets or revenues, each of the Issuer and the Company agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

DESCRIPTION OF THE KEEPWELL AND LIQUIDITY SUPPORT DEED AND THE DEED OF ASSET PURCHASE UNDERTAKING

The following contains summaries of certain key provisions of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. Such statements do not purport to be complete and are qualified in their entirety by reference to the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. Capitalised terms used in this section shall have the meanings given to them in the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, as the case may be.

All capitalised terms that are not defined in this section will have the meanings given to them in the Conditions and the relevant Pricing Supplement. See "Terms and Conditions of the Notes". Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in this section to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

Ownership of the Issuer; Control over ICBC Maritime and Primary Overseas Platform

Pursuant to the Keepwell and Liquidity Support Deed, the Company undertakes to:

(i) procure the Controlling Persons to, directly or indirectly, have Control of each of the Company, ICBC Maritime and the Issuer; and

(ii) procure that the title, rights and interests in the shares of the Issuer are not pledged or in any way encumbered other than in accordance with the Notes.

"**Controlling Persons**" means Industrial and Commercial Bank of China Limited or its successor.

Pursuant to the Keepwell and Liquidity Support Deed, the Company undertakes with the Issuer and ICBC Maritime and the Trustee that it shall maintain ICBC Maritime as a primary overseas leasing platform of the Company for its offshore leasing business. In addition, the Company undertakes to maintain, or procure ICBC Maritime to maintain, the Issuer as a primary overseas financing platform of the Company.

Maintenance of Consolidated Net Worth and Liquidity

Pursuant to the Keepwell and Liquidity Support Deed, the Company undertakes to:

(i) procure each of the Issuer and ICBC Maritime to have a Net Worth or Consolidated Net Worth (as the case may be) of at least US$1 at all times;

(ii) procure the Issuer to have sufficient liquidity to make timely payment of any amounts payable by it under or in respect of the Notes, Coupons or Receipts in accordance with the Conditions and/or the Trust Deed and/or the Agency Agreement; and

(iii) procure the Issuer to remain solvent and a going concern at all times under the laws of its jurisdiction of incorporation or applicable accounting standards so long as any Note is outstanding.

"**Net Worth**" means, in respect of the Issuer, the excess of the total assets of the Issuer over the total liabilities of the Issuer, each of "total assets" and "total liabilities" to be determined in accordance with the Hong Kong Financial Reporting Standards consistently applied.

"**Consolidated Net Worth**" means, in respect of ICBC Maritime, the excess of the total assets of ICBC Maritime and its consolidated Subsidiaries over the total liabilities of ICBC Maritime and its

consolidated Subsidiaries, each of "total assets" and "total liabilities" to be determined in accordance with the Hong Kong Financial Reporting Standards consistently applied (which may be based upon internal management accounts).

Negative Pledge

Pursuant to the Keepwell and Liquidity Support Deed, so long as any of the Notes remains outstanding, the Company undertakes to the Trustee not to, and to procure its Principal Subsidiaries not to, create or permit to subsist any Security Interest (save for Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Public External Indebtedness or guarantee or indemnity in respect of Public External Indebtedness without at the same time or prior thereto (A) securing the Notes equally and rateably therewith or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

Obligation to Acquire Assets

Pursuant to the Deed of Asset Purchase Undertaking, in the event that a Triggering Event has occurred, upon the receipt of a written notice (the "**Purchase Notice**") provided by the Trustee in accordance with the Trust Deed, the Company agrees that it shall purchase (either by itself or through a Subsidiary of the Company as designated by it (the "**Designated Purchaser**")) (the "**Purchase**"), and the Company agrees that it shall procure ICBC Maritime (or any of its Subsidiaries) to sell, and the Issuer agrees that it shall sell (or procure any of its Subsidiaries to sell), to the Company:

(i) the Assets held by the Issuer, ICBC Maritime and/or any Subsidiary of ICBC Maritime or the Issuer, as designated by ICBC Maritime or the Issuer, as the case may be, and notified in writing to the Trustee within seven Business Days after the date of the Purchase Notice; and

(ii) in the absence of a designation and notification by ICBC Maritime or the Issuer, as the case may be, within seven Business Days after the date of the Purchase Notice from the Trustee, all the Assets held by ICBC Maritime, the Issuer and their Subsidiaries,

(each such designated entity or, as the case may be, the Issuer, ICBC Maritime, or each such Subsidiary of ICBC Maritime or the Issuer, a "**Relevant Transferor**") in either such case at the Purchase Price on the relevant date of completion of the Purchase (the "**Purchase Closing Date**") on the terms set out in the Deed of Asset Purchase Undertaking and the relevant Asset Purchase Agreement (as defined below).

The obligations to acquire assets set out in the Deed of Asset Purchase Undertaking shall be suspended in relation to a Series of Notes subject to the Purchase Notice if, the Company, ICBC Maritime and the Issuer receive a notice in writing from the Trustee (a "**Suspension Notice**") stating that any of the following events has occurred (each a "**Suspension Event**"):

(i) the Trustee (a) has received a notice in writing from the Paying Agent that all of the payment obligations of the Issuer in respect of any principal, premium and interest under the relevant Series of Notes have been satisfied in full and (b) is satisfied that all amounts due and payable to the Trustee under the Trust Deed have been satisfied in full;

(ii) in the event of a Liquidity Notice Failure Event (as defined below), the Trustee (a) has received a notice in writing from the Paying Agent that the payment obligations of the Issuer in respect of any principal, premium and interest under the relevant Series of Notes due on the Interest Payment Date, the Instalment Date or the Maturity Date, as applicable, immediately following the relevant Liquidity Notice Date (as defined below) together with any default interest due as at the date of the notice from the Paying Agent have been satisfied in full and (b) is satisfied that all amounts due and payable to the Trustee under the Trust Deed as at the date of the notice from the Paying Agent have been satisfied in full; or

(iii) in the event of an Event of Default where a Purchase Notice has been given, such Event of Default has been waived by the Trustee acting on the instructions of the Noteholders of the relevant Series by Extraordinary Resolution.

The Suspension Notice shall be provided by the Trustee to the Company, ICBC Maritime and the Issuer within four Business Days after the Business Day on which a Suspension Event occurs.

"**Business Day**" means a day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in London, Hong Kong and the PRC.

"**Triggering Event**" means, in relation to a Series of Notes, any of the following events:

(i) an Event of Default; or

(ii) the Issuer's failure to provide the Trustee with a Liquidity Notice (as defined below) on or prior to the Liquidity Notice Date in accordance with its covenant described under "— *Liquidity Notice*" below (a "**Liquidity Notice Failure Event**").

Determination of Purchase Price

Within seven Business Days after the date of the Purchase Notice, the Company shall determine in accordance with any applicable laws and regulations effective at the time of determination (i) the purchase price of the Relevant Asset(s) in the currency of the relevant Series of Notes (the "**Purchase Price**"); and (ii) the other applicable terms relating to the Purchase which shall not conflict with the Company's obligations in the Deed of Asset Purchase Undertaking, **provided that** the Purchase Price shall be no less than the Relevant Amount.

The Company's determination of the Purchase Price in accordance with the Deed of Asset Purchase Undertaking shall be final and binding on the parties save in the case of manifest error. Should the Company fail to make a determination of the Purchase Price within seven Business Days after the date of the Purchase Notice, the Purchase Price shall be the Relevant Amount unless the applicable laws and regulations effective at the time of determination require that the Relevant Asset(s) be purchased at a specified amount.

The Trustee has no responsibility for calculating, verifying or determining the Relevant Amount and shall not be liable to the Noteholders, the Issuer, ICBC Maritime, the Company or any other person for not doing so.

"**Relevant Amount**" means the following:

(i) if the Triggering Event is a Liquidity Notice Failure Event, an amount in the currency of the relevant Series of Notes that is no less than the amount sufficient to enable the Issuer to meet its payment obligations under or in respect of such Series of Notes in accordance with the Conditions and/or the Trust Deed on the immediately next Interest Payment Date, Instalment Date or Maturity Date, as applicable; or

(ii) if the Triggering Event is an Event of Default, an amount in the currency of the relevant Series of Notes that is no less than the amount sufficient to enable the Issuer to discharge in full its obligations under such Series of Notes and the Trust Deed (including without limitation the payment of the principal amount of such Series of Notes then outstanding as at the date of the Purchase Notice and any interest due and unpaid and/or accrued but unpaid on such Series of Notes up to but excluding the Purchase Closing Date),

in any such case together with all costs, fees, expenses and other amounts payable to the Trustee and/or the Agents under or in connection with such Notes, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and/or the Deed of Asset Purchase Undertaking as at the date of such Purchase Notice plus provisions for fees, costs, expenses and other amounts which may be incurred after the date of the Purchase Notice, as notified by the Trustee in the Purchase Notice.

"**Relevant Assets**" means the Assets designated by ICBC Maritime or the Issuer pursuant to clause (i) of the first paragraph of "Obligation to Acquire Assets" above or all the Assets held by the Issuer and its Subsidiaries pursuant to clause (ii) of the first paragraph of "Obligation to Acquire Assets" above.

Closing

The Company undertakes to the Trustee that within 30 days after the date of the Purchase Notice:

(i) it shall (or shall procure the Designated Purchaser to), and shall procure each Relevant Transferor to, execute, an asset purchase agreement (the "**Asset Purchase Agreement**");

(ii) it shall procure the transfer of the Relevant Assets to it or the Designated Purchaser, and

(iii) it shall make payment (or procure the payment by the Designated Purchaser) to or to the order of each Relevant Transferor the Purchase Price payable in immediately available funds in the currency of the relevant Series of Notes to such account as may be designated by such Relevant Transferor and notified in writing to the Trustee,

provided if the Trustee receives an opinion of a PRC counsel of recognised international standing in form and substance satisfactory to the Trustee stating that under applicable PRC law as at the date of the opinion, approvals, consents, clearances or other authorisations of a PRC government authority are required for the purchase of any Relevant Asset under the Deed of Asset Purchase Undertaking, the Company undertakes to use its reasonable efforts to obtain such approval, clearance or other authorisation and complete the completion of the Purchase within six months from (and including) the date of the Purchase Notice.

PRC counsel to the Issuer have confirmed that (i) if the assets to be purchased under the Deed of Asset Purchase Undertaking would be imported into the PRC, the relevant PRC governmental approvals or permits from PRC approval authorities, including but not limited to NDRC, Civil Aviation Administration of China, MOFCOM and the General Administration of Customs of the PRC (中華人民共和國海關總署), are required and (ii) if the purchased assets under the Deed of Asset Purchase Undertaking would not be imported into the PRC, and those assets would be leased by the Company after the purchase (falling within the ambit of the finance leasing laws in the PRC), the Company should register such lease at the local foreign exchange authority within 15 working days upon an external claim and there are no other Regulatory Approvals (as defined in the Deed of Asset Purchase Undertaking) required under the PRC laws.

Use of Proceeds

Pursuant to the Deed of Asset Purchase Undertaking:

(i) the Company undertakes to procure ICBC Maritime and each Relevant Transferor to promptly on-lend or otherwise transfer to the Issuer any payment (each an "**On-Loan**") received pursuant to the Deed of Asset Purchase Undertaking from the Company and to procure the Issuer to promptly apply all proceeds from each On-Loan and/or from any Asset sale by the Issuer itself pursuant to the Deed of Asset Purchase Undertaking towards satisfying its obligations under the relevant Series of Notes and the Trust Deed;

(ii) the Issuer undertakes to take all actions necessary for the proceeds received from each On-Loan (if any) and/or from any Asset sale by the Issuer itself towards the payment in full of any outstanding amounts as they fall due under the Trust Deed and the relevant Series of Notes (including any interest accrued but unpaid on such Series of Notes); and

(iii) each of the Issuer and the Company agrees to procure that all obligations of the Issuer owing to ICBC Maritime or a Relevant Transferor, as the case may be, under each On-Loan shall be subordinated to sums payable and all obligations owing to the Trustee and the Noteholders of the relevant Series of Notes by the Issuer, whether present or future, actual or contingent, and all claims, rights, damages, remedies and/or proceeds in respect of any or all of the foregoing.

Liquidity Notice

Pursuant to the Deed of Asset Purchase Undertaking, so long as any Note remains outstanding, on the Business Day immediately following 30 June and 31 December of each year (the "**Liquidity Notice Date**"), the Issuer shall send to the Trustee a notice in writing (the "**Liquidity Notice**") signed by an authorised signatory of the Issuer, substantially in the form set out in the Deed of Asset Purchase Undertaking, certifying, as at the date of the Liquidity Notice, (i) that the Issuer has sufficient liquidity to meet its payment obligations under the relevant Series of Notes and the Trust Deed as they may fall due (together with evidence of available funding outside the PRC) and (ii) that no Event of Default or Potential Event of Default has occurred.

"**Potential Event of Default**" means an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 10 become an Event of Default.

Other Undertakings

Pursuant to the Keepwell and Liquidity Support Deed, for so long as any Notes are outstanding:

(i) each of the Company and the Issuer undertakes to promptly take any and all action necessary to comply with its obligations under the Keepwell and Liquidity Support Deed;

(ii) the Company undertakes to procure the Issuer to remain in full compliance with the Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking, the Agency Agreement and all applicable rules and regulations in Hong Kong, the PRC and England;

(iii) the Company undertakes to ensure that the Issuer has sufficient funds to meet its obligations with respect to its payment obligations under the Notes and the Trust Deed; and

(iv) the Company undertakes to procure that the articles of association of the Issuer shall not be amended in a manner that is, directly or indirectly, materially adverse to Noteholders.

Other Provisions

Neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking is, and nothing therein contained and nothing done pursuant hereto by the Company shall be deemed to constitute, or shall be construed as, or shall be deemed as evidence of, a guarantee by or any similar legal binding obligation of the Company of the payment of any obligation, indebtedness or liability, of any kind or character whatsoever, of the Issuer or ICBC Maritime under the laws of any jurisdiction, including the PRC.

The parties thereto acknowledge that in order for each of the Issuer, ICBC Maritime and the Company to comply with their respective obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Issuer, ICBC Maritime and/or the Company may require Regulatory Approvals. If, and to the extent that the Company is required to obtain any Regulatory Approvals (including but not limited to any Regulatory Approvals of PRC government authorities) in order to comply with its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the performance of such obligation shall always be qualified by, and subject to, the Company having obtained such Regulatory Approvals. In this regard, the Company undertakes to use its reasonable efforts to obtain such Regulatory Approvals within the time stipulated by the relevant Approval Authorities, if applicable.

A certificate signed by an authorised signatory of the Company as to the fact stating that the Company has used reasonable efforts to fulfil its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, but having used such efforts, it has not been able to fulfil its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and setting forth a statement of facts showing such efforts, together with any evidence or records of communication, filings and/or submissions supporting such efforts, and an opinion of a PRC counsel of recognised international or national standing, stating the applicable Regulatory Approvals under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and, where applicable, setting out the legal analysis as to why these cannot be obtained or are not reasonably achievable under the applicable PRC laws and regulations, shall be *prima facie* evidence of that fact.

The Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. The courts of Hong Kong have exclusive jurisdiction to settle any dispute arising out of or in connection with the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking.

SUMMARY OF PROVISIONS RELATING TO NOTES WHILE REPRESENTED BY GLOBAL NOTES OR GLOBAL CERTIFICATES

Initial Issue of Notes

Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"). Registered Notes will not be exchangeable for Bearer Notes and *vice versa*. Bearer Notes will be issued only under Regulation S outside the United States to non-U.S. persons.

Bearer Notes with a term of more than 365 days (taking into account any unilateral rights to extend or rollover the term) will be issued only in compliance with the TEFRA D or the TEFRA C. Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a common depositary or sub-custodian for Euroclear, Clearstream and/or as the case may be, the CMU and/or any other relevant clearing system. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. Bearer Notes issued in compliance with the TEFRA D must be initially issued in the form of a Temporary Global Note. If the TEFRA D are specified in the relevant Pricing Supplement, any exchange of an interest in a Temporary Global Note or any payment of interest in respect of a Temporary Global Note will be made against presentation of the Temporary Global Note only to the extent that certification generally to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by the TEFRA D, has been received by Euroclear, Clearstream (or the relevant Lodging and Paying Agent in the case of CMU Notes) and Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Issuer or its agent. Bearer Notes with a term of more than 365 days (taking into account any unilateral rights to extend or rollover the term) that are CMU Notes will be issued under the TEFRA C unless at the time of issuance the CMU and the CMU Lodging and Paying Agent have in place certification procedures necessary to comply with the TEFRA D. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

The following legend will appear on all Bearer Notes that have a term of more than 365 days (taking into account any unilateral rights to extend or rollover the term) and on all receipts and interest coupons relating to such Bearer Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

Registered Notes will be represented by registered Certificates, one definitive Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series or (a) (other than Notes representing the first Tranche of a given Series), a Temporary Global Certificate or (b) a Permanent Global Certificate, in respect of the Notes. Interests in Temporary Global Certificates will be exchangeable for interests in a Permanent Global Certificate (or if specified in the applicable pricing supplement, Definitive Notes) only after the Exchange Date. Registered Notes sold in an "offshore transaction" within the meaning of Regulation S will, subject to the temporary global certificate requirements described above, initially be represented by a Global Certificate.

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream (the "**Common Depositary**") or a sub-custodian for the HKMA as operator of the CMU.

Upon the initial deposit of a Global Note with the Common Depositary or with a sub-custodian for the HKMA as operator of the CMU or upon the initial deposit of a Global Certificate in respect of, and

registration of, Registered Notes in the name of (i) any nominee for Euroclear and Clearstream or (ii) the HKMA and delivery of the relevant Global Certificate to the Common Depositary or the sub-custodian for the HKMA as operator of the CMU (as the case may be), Euroclear or Clearstream or the CMU (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with one clearing system may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with such clearing system held by such other clearing systems.

Relationship of Account holders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or such clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled (in the case of Registered Notes, directed or deemed by the CMU as entitled) to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to the Trustee for his share of each payment so made by the Issuer in respect of such Global Note or Global Certificate.

Exchange

Temporary Global Notes

On and after the Exchange Date, interests, in each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the TEFRA C or in a transaction to which TEFRA is not applicable (as to which, see "*Summary of the Programme — Selling Restrictions*"), in whole, but not in part, for interest in a Permanent Global Note or the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part to the extent that certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement has been received by the Issuer for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

Permanent Global Notes

Interests in each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "Partial Exchange of Permanent Global Notes" below, in part for Definitive Notes:

(i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream or the CMU or any other clearing system (an "**Alternative Clearing System**") and any such clearing system 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 in fact does so; or

(ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Trustee (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Permanent Global Certificates

(a) *Global Certificates cleared through Euroclear, Clearstream or CMU*

If a Global Certificate will be cleared through Euroclear, Clearstream or CMU, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream or the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2 may only be made in part:

(i) if the relevant clearing system 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; or

(ii) if principal in respect of any Notes is not paid when due;

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Global Certificate shall bear the legend applicable to such Notes as set out in "**Transfer Restrictions**".

Partial Exchange of Permanent Global Notes

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more

occasions for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

Delivery of Notes

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Trustee (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

"**Exchange Date**" means (i) in relation to an exchange of a Temporary Global Note to a Permanent Global Note or a Definitive Note or an exchange of a Temporary Global Certificate to a Global Certificate, the day falling after the expiry of 40 days after the issue date of the relevant Tranche of the Notes; or (ii) in relation to an exchange of a Permanent Global Note to a Definitive Note, a day falling not less than 60 days or in the case of exchange following failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Trustee is located and in the cities in which the relevant clearing systems are located.

Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes, Temporary Global Certificates and Permanent Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Temporary Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note (except with respect to a Global Note held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes,

surrender of that Global Note to or to the order of the Trustee as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 8(d) will apply to the Definitive Notes only.

All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate held through the CMU) will be made to the person whose name is entered on the relevant Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

In respect of a Global Note or Global Certificate held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

Prescription

Claims against the Issuer for payment in respect of the Notes that are represented by a Global Note or a Global Certificate will become void unless it is presented for payment within a period of 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a Global Note or of the Notes represented by a Global Note or a Global Certificate shall (unless such Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Global Note or a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

Cancellation

Cancellation of any Note represented by a Global Note or Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Global Note or Global Certificate.

Purchase

Notes represented by a Global Note or Global Certificate may only be purchased by the Issuer or any of its respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

The Option of the Issuer

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note or Global Certificate shall be exercised by the Issuer giving notice to the Noteholders 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 certificate numbers of Notes drawn in respect of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of

account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, the CMU or any other clearing system (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note or Global Certificate may be exercised by the holder of the Global Note (in accordance with the standard procedures of the relevant clearing system) giving notice to the Trustee or (in respect of Notes represented by a Global Certificate) the Registrar or Transfer Agent or (in respect of Notes lodged with the CMU) the CMU Lodging and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Global Note or Global Certificate to the Trustee, the relevant Registrar, a Transfer Agent or the CMU Lodging and Paying Agent (or, in each case, to a Paying Agent acting on their behalf), as the case may be, for notation.

Notices

So long as the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of Euroclear or Clearstream or any other clearing system or deposited with a sub-custodian for and registered in the name of the Hong Kong Monetary Authority as operator of the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes or Global Certificates. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note or Global Certificate representing such Notes may be exchanged for an interest in a Permanent Global Note, a Permanent Global Certificate, Definitive Notes or definitive Certificates (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

FORM OF PRICING SUPPLEMENT

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the 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 (the "**EU 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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not 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 European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.]

[**MiFID II product governance/Professional investors and ECPs only target market** — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [Notes] has led to the conclusion that: (i) the target market for the [Notes] is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")] [MiFID II]; or (ii) all channels for distribution of the [Notes] to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the [Notes] (a "**distributor**")] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the [Notes] (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR product governance/Professional investors and ECPs only target market** — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the [Notes] is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the [Notes] to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**")]/[distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the [Notes] (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[This document is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only. **Notice to Hong Kong investors**: The Issuer and the Company (each as defined below) confirm that the Notes (as defined below) are intended for purchase by Professional Investors only and will be listed on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") on that basis. Accordingly, the Issuer and the Company confirm that the Notes 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 document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes or the Issuer and the Company and the Group (as defined in the Offering Circular) or quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, 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 document.

This document together with the Offering Circular (as defined below) 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 and the Company and the Group. Each of the Issuer and the Company accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

[**Singapore Securities and Futures Act Product Classification** — Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

[**Paragraph 21 of the Hong Kong SFC Code of Conduct** — As paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission applies to this offering of Notes, prospective investors should refer to the section on "*Important Notice to Prospective Investors Pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct*" appearing on pages [●] to [●] of the Offering Circular, and CMIs (as defined in the Offering Circular) should refer to the section on "*Important Notice to CMIs (including private banks) Pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct*" appearing on pages [●] to [●] of the Offering Circular.]

Pricing Supplement dated [Date]

ICBCIL Finance Co. Limited
工銀國際租賃財務有限公司
(the "Issuer")

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] (the "Notes")
with the benefit of a keepwell and liquidity support deed and a deed of
asset purchase undertaking provided by

ICBC Financial Leasing Co., Ltd.
(工银金融租赁有限公司)
(the "Company")

under its US$20,000,000,000
Medium Term Note Programme (the "Programme")

This document constitutes the Pricing Supplement relating to the issue of the Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth in the offering circular dated [*date*] (the "**Offering Circular**"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular. Full information on the Issuer, the Company and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [*current date*], save in respect of the Conditions which are extracted from the Offering Circular dated [*previous date*] and are attached hereto.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1.	(i)	Issuer:	ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司
	(ii)	Company:	ICBC Financial Leasing Co., Ltd. (工银金融租赁有限公司)
2.	(i)	[Series Number:]	[●]
	(ii)	[Tranche Number:]	[●]

	(iii)	Date on which the Notes will be consolidated and form a single Series:	[The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/ exchange of the temporary Global Note for interests in the permanent Global Note, as referred to in paragraph [26] below, which is expected to occur on or about [date]]/[Not Applicable]] [*In the case of further Bearer Notes which are issued in accordance with the TEFRA D, any consolidation of such further Bearer Notes with outstanding Bearer Notes into a single Series can only occur following the exchange of interests in the temporary Global Note for interests in the permanent Global Note or Definitive Notes upon certification of non-U.S. beneficial ownership.*]
3.	Specified Currency or Currencies:		[●]
4.	Aggregate Nominal Amount:		[●]
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
5.	(i)	[Issue Price:]	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
	(ii)	[Net proceeds:]	[●]] [*Delete for unlisted issuances.*]
	(iii)	[Use of Proceeds:]	[●]
6.	(i)	Specified Denominations:	[●] (*Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).*)

			(*If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No notes in definitive form will be issued with a denomination above €199,000." In relation to any issue of Notes which are a "Global Note exchangeable to Definitive Notes" in circumstances other than in the limited circumstances specified in the Global Note, such Notes may only be issued in denominations equal to, or greater than, €100,000 (or equivalent) and multiples thereof.)*
	(ii)	Calculation Amount:	[●]
7.	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[*Specify*/Issue Date/Not Applicable]
8.	Maturity Date:		[*Fixed rate — specify date/Floating rate — specify Interest Payment Date falling in or nearest to the relevant month and year*) (*Note that for Renminbi and Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, it will be necessary to use the second option here.*)
9.	Interest Basis:		[[●] per cent. Fixed Rate] [specify reference rate] +/- [●] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Dual Currency Interest] [*Specify other*] [further particulars specified below]
10.	Redemption/Payment Basis:		[Redemption at par] [Dual Currency Redemption] [Partly Paid] [Instalment]

		[*Specify other*]
11.	Change of Interest Basis or Redemption/Payment Basis:	[*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis/Not Applicable*]
12.	Put/Call Options:	[Investor Put Option] (*For as long as Bearer Notes issued in accordance with TEFRA D are represented by a temporary Global Note, an Investor Put shall not be available unless the certification required under TEFRA D with respect to non-U.S. beneficial ownership has been received by the Issuer or the Agent.*) [Issuer Call Option] [(further particulars specified below)]
13.	Date of [Board] approval for issuance of Notes and provision of the keepwell and liquidity support deed and the deed of asset purchase undertaking] obtained:	[●] [and [●], respectively] (*Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related keepwell and liquidity support deed and the deed of asset purchase undertaking*)
14.	NDRC Registration:	[*Insert registration certificate number and date*]
15.	Listing:	[The Stock Exchange of Hong Kong Limited/*specify other/None*] (*For Notes to be listed on the [Hong Kong Stock Exchange], insert the expected effective listing date of the Notes*)
16.	Method of distribution:	[Syndicated/Non-syndicated]

Provisions Relating to Interest (if any) Payable

17.	Fixed Rate Note Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/ quarterly/other (*specify*)] in arrear]

		(*If payable other than annually, consider amending Condition 5*)
(ii)	Interest Payment Date(s):	[●] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/not adjusted] (*This will need to be amended in the case of long or short coupons*)
(iii)	Fixed Coupon Amount(s): (Applicable to Notes in definitive form)	[●] per Calculation Amount (*For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest RMB0.01, RMB0.005 being rounded upwards in the case of Renminbi denominated Fixed Rate Notes and to the nearest HK$0.01, HK$0.005 for the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards."*)
(iv)	Broken Amount(s): (Applicable to Notes in definitive form)	[Not Applicable/[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]]
(v)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA/ISDA) or Actual/365 (Fixed) or [*specify other*] (*Actual/365 (Fixed) is applicable to Hong Kong dollar denominated Fixed Rate Notes and Renminbi denominated Fixed Rate Notes.*)
(vi)	Determination Date(s):	[Not Applicable/[●] in each year] [*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*] [*This will need to be amended in the case of regular interest payment dates which are not of equal duration*]
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None/give details]

18.	Floating Rate Note Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Interest Period(s):	[●] [[, subject to adjustment in accordance with the Business Day Convention set out in (vi) below] [, not subject to any adjustment [, as the Business Day Convention in (vi) below is specified to be Not Applicable]]]
	(ii)	Specified Period(s):	[●] (*Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the Floating Rate Business Day Convention. Otherwise, insert "Not Applicable"*)
	(iii)	Specified Interest Payment Dates:	[●] (*Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the Floating Rate Business Day Convention, insert "Not Applicable"*) [The definition of "**Interest Payment Date**" in Condition [5(b)(viii)] applies.] (*Only applicable in the case of SOFR Payment Delay*)
	(iv)	Interest Period Date:	[Not Applicable/*specify dates*] (*Not applicable unless different from Interest Payment Date*)
	(v)	[First Interest Payment Date:]	[●]
	(vi)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day *Convention/*[*specify other*]]
	(vii)	Business Centre(s):	[●]
	(viii)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/Screen Rate Determination (SOFR)/ISDA Determination/*specify other*]

(ix)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Issuing and Paying Agent):	[●]
(x)	Screen Rate Determination (Condition [5(b)(v)]):	
	• Reference Rate:	[●] (*Either EURIBOR, HIBOR, CNH HIBOR or other, although additional information is required if other — including fallback provisions in the Agency Agreement*))
	• Interest Determination Dates:	(*First day of each Interest Accrual Period if HIBOR and the second day on which the T2 System is open prior to the start of each Interest Accrual Period if EURIBOR*)
	• Relevant Screen Page:	[●] (*In the case of EURIBOR, if not Reuters EURIB0RO1 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
(xi)	Screen Rate Determination (SOFR) (Condition [5(b)(viii)]):	
	• Reference Rate:	SOFR Benchmark — [Simple SOFR Average/ Compounded Daily SOFR/ Compounded SOFR Index]
	• Compounded SOFR Average Method:	[Not Applicable/SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout — *used for Compounded SOFR Average only*]
	• Interest Determination Date(s):	[The [●] U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period — *only applicable in the case of Simple SOFR Average/SOFR Observation Lag/SOFR Observation Shift/SOFR Lockout/SOFR Compounded Index*] [The Interest Period Date at the end of each Interest Period, provided that the Interest Determination Date with respect to the final Interest Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date — *only applicable in the case of SOFR Payment Delay*]

- Lookback Days: [[●] U.S. Government Securities Business Days — *used for SOFR Observation Lag only*]/[Not Applicable]

- SOFR Observation Shift Days: [[●] U.S. Government Securities Business Days — *used for the SOFR Observation Shift or SOFR Compounded Index only*]/[Not Applicable]

- SOFR Rate Cut-Off Date: [The date falling [●] Business Days prior to the end of each Interest Period, the Maturity Date or the date fixed for redemption, as applicable — *used for only Simple SOFR Average (if applicable), Compounded SOFR Average — SOFR Payment Delay or SOFR Lockout only*]/[Not Applicable]

- Interest Payment Delay Days: [●] Business Days — used for SOFR Payment Delay only]/[Not Applicable]

- SOFR $\text{Index}_{\text{Start}}$ [Not Applicable/[●] U.S. Government Securities Business Day(s) — *used for SOFR Compounded Index only*]

- SOFR $\text{Index}_{\text{End}}$ [Not Applicable/[●] U.S. Government Securities Business Day(s) — *used for SOFR Compounded Index only*]

(xii) ISDA Determination:

- Floating Rate Option: [●]

- Designated Maturity: [●]

- Reset Date: [●]

- ISDA Definitions: [2006 ISDA Definitions / 2021 ISDA Definitions]

- Compounding: [Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph*)

- Compounding Method: [Compounding with Lookback

  Lookback: [●] Applicable Business Days]

  [Compounding with Observation Period Shift

  - Observation Period Shift: [●] Observation Period Shift Business Days

  Observation Period Shift Additional Business Days: [[●] / Not Applicable]]

[Compounding with Lockout

- Lockout: [●] Lockout Period Business Days

Lockout Period Business Days: [[●]/Applicable Business Days]]

- Index Provisions: [Applicable/Not Applicable] (If not applicable delete the remaining sub-paragraphs of this paragraph)

- Index Method: Compounded Index Method with Observation Period Shift

  - Observation Period Shift: [●] Observation Period Shift Business Days

Observation Period Shift Additional Business Days: [[●] / Not Applicable]

(xiii) Margin(s): [+/-] [●] per cent. per annum

(xiv) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]

(xv) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]

(xvi) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)]

[Actual/365(Fixed)]

[Actual/365(Sterling)]

[Actual/360]

[30/360, 360/360 or Bond Basis]

[30E/360 or Eurobond Basis]

[30E/360 (ISDA)]

[Other]

(*See Condition 5 for alternatives*)

(xvii) Linear Interpolation: [Not Applicable/Applicable — the Rate of Interest for the [long/short] [first/last] Interest Accrual Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

	(xviii)	Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[Benchmark Event/Benchmark Event (SOFR)/*specify if fallback provisions different from those set out in the Conditions*]
19.	Zero Coupon Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Accrual Yield:	[●] per cent. per annum
	(ii)	Reference Price:	[●]
	(iii)	Any other formula/basis of determining amount payable:	[●]
	(iv)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[●] (*Consider applicable day count fraction if not U.S. dollar denominated*)
20.	Index Linked Interest Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Index Formula:	[Give *or annex details*]
	(ii)	Calculation Agent:	[●]
	(iii)	Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Issuing and Paying Agent):	[●]
	(iv)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[*Need to include a description of market disruption or settlement disruption events and adjustment provisions*]
	(v)	Specified Period(s)/Specified Interest Payment Dates:	[●]

	(vi)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]
	(vii)	Business Centre(s):	[●]
	(viii)	Minimum Rate of Interest:	[●] per cent. per annum
	(ix)	Maximum Rate of Interest:	[●] per cent. per annum
	(x)	Maximum Rate of Interest:	[●]
21.		Dual Currency Interest Note Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate of Exchange/method of calculating Rate of Exchange:	[*Give or annex details*]
	(ii)	Party, if any, responsible for calculating the principal and/or interest due (if not the Issuing and Paying Agent):	[●]
	(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[*Need to include a description of market disruption or settlement disruption events and adjustment provisions*]
	(iv)	Person at whose option Specified Currency(ies) is/are payable:	[●]

Provisions Relating to Redemption

22.		Issuer Call Option:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount/*specify other*/see Appendix]

(iii) If redeemable in part: [●]

(a) Minimum Redemption Amount: [●]

(b) Maximum Redemption Amount: [●]

(iv) Notice period (if other than as set out in the Conditions): [●]

(*If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Issuing and Paying Agent or the Trustee*)

23. Investor Put Option: [Applicable/Not Applicable]

(*In the case of Bearer Notes issued in accordance with TEFRA D and represented by a temporary Global Note exchangeable for interests in a permanent Global Note or Definitive Note, an Investor Put shall not be available unless the certification of non-U.S. beneficial ownership required under TEFRA D has been received by the Issuer or its Agent.*)

(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[●] per Calculation Amount/*specify other/see* Appendix]

(iii) Notice period (if other than as set out in the Conditions): [●]

(*If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Issuing and Paying agent or the Trustee*)

24.	Final Redemption Amount:	[[●] per Calculation *Amount/specify other/see* Appendix]
25.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[[●] per Calculation *Amount/specify other/see* Appendix]

General Provisions Applicable to the Notes

26.	Form of Notes:	[Bearer Notes: (Bearer Notes with a term of more than 365 days (taking into account any unilateral right to extend or rollover the term) must be issued in compliance with TEFRA C or TEFRA D. If such Bearer Notes are held through the CMU, they must be issued under TEFRA C if at the time of issuance the CMU and the CMU Lodging and Paying Agent do not have in place certification procedures necessary to comply with TEFRA D.) (Bearer Notes that are issued in compliance with TEFRA D must initially be represented by a temporary Global Note, exchangeable for a Permanent Global Note or Definitive Notes upon certification of non-U.S. beneficial ownership as required under TEFRA D.) [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] (*If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 ", the temporary Global Note shall not be exchangeable on* [*[●]*] *days' notice."*) [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]

(*Not applicable to Bearer Notes issued in compliance with TEFRA D, which must initially be represented by a temporary Global Note, exchangeable for a Permanent Global Note or Definitive Notes upon certification of non-U.S. beneficial ownership as required under TEFRA D.*)

[Registered Notes:

Global Certificate exchangeable for Individual Note Certificates in the limited circumstances described in the Global Certificate]

27.	Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/give details] (*Note that this paragraph relates to the date of payment and not Interest Period end dates to which sub-paragraphs 18(vii) and 20(vii) relate*) [Financial Centre[s] are: (a) [repeat the details of the Financial Centre(s) as per above if applicable; and] (b) Beijing.]
28.	Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	[Yes/No. [If yes, give details]
29.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/give details.] (*A new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*)
30.	Details relating to Instalment Notes:	
	(i) Instalment Amount(s):	[Not Applicable/*give details*]
	(ii) Instalment Date(s):	[Not Applicable/*give details*]
31.	Redenomination applicable:	Redenomination [not] applicable

			[(*If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation* (*including alternative reference rates*)]
32.	Other terms or special conditions:		[Not Applicable/*give details*]
Distribution			
33.	(i)	If syndicated, names and addresses of Managers and commitments:	[Not Applicable/*give names and addresses and commitments*]
	(ii)	Date of Subscription Agreement	[●]
	(iii)	Stabilising Manager(s) (if any):	[Not Applicable/*give name*]
34.	If non-syndicated, name of relevant Dealer:		[Not Applicable/*give name and address*]
35.	Total commission and concession:		[●] per cent. of the Aggregate Nominal Amount [Private Bank Rebate/Commission: specify] (Delete if not applicable)
36.	U.S. Selling Restrictions:		[Reg. S Category 2]
37.	Applicable TEFRA exemption:		[TEFRA D/TEFRA C/TEFRA not applicable] (*"TEFRA not applicable" is only available for Bearer Notes with a term of 365 days or less (taking into account any unilateral right to extend or rollover the term) or Registered Notes.*)
38.	Prohibition of Sales to EEA Retail Investors		[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the EEA, "Applicable" should be specified.*)

39.	Prohibition of Sales to UK Retail Investors	[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the UK, "Applicable" should be specified.*)
40.	Singapore Sales to Institutional Investors and Accredited Investors only	[Applicable/Not Applicable]
41.	Additional selling restrictions:	[Not Applicable/give *details*]

Operational Information

42.	Clearing System:	[Euroclear/Clearstream/CMU/ specify]
43.	Any clearing system(s) other than Euroclear or Clearstream and the relevant identification number(s):	[CMU/Not Applicable/give name(s) and number(s)]
44.	Delivery:	Delivery [against/free of] payment
45.	Additional Paying Agent(s) (if any):	[Not Applicable/*give details*]
	ISIN:	[●]
	Common Code:	[●]
	[Temporary ISIN:	[●]]
	[Temporary Common Code:	[●]]
		(*Temporary ISIN, Common Code and/or other identifying numbers are required for additional issuances of Notes in accordance with Regulation S that will be consolidated and form a single Series with earlier Tranches.*)

General

46.	Private Bank Rebate/Commission:	[Applicable/Not Applicable]
47.	The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [●], producing a sum of (for Notes not denominated in U.S. dollars):	[Not Applicable/U.S.$[●]]
48.	[Ratings:	The Notes to be issued are expected to be rated [●] by [●]]
49.	Hong Kong SFC Code of Conduct	
	(i) Rebates	[A rebate of [●] bps is being offered by the [Issuer] to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] / [Not Applicable]
	(ii) Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent	[*Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent — Overall Coordinators to provide*] / [Not Applicable]
	(iii) Marketing and Investor Targeting Strategy	[As set out in the Offering Circular] / [*describe if different from the programme OC*]

[Stabilisation

In connection with this issue, [insert name of Stabilisation Manager] (the "**Stabilisation Manager**") (or persons acting on behalf of any Stabilisation Manager) may over-allot and effect transactions with a view to supporting the market price of Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or persons acting on behalf of a Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.]

[Listing Application]

[*Specify if any*]

This Pricing Supplement comprises the final terms required for the issue of Notes described herein pursuant to the US$20,000,000,000 Medium Term Note Programme of ICBC Maritime Finance Co. Limited.

Responsibility

The Issuer and the Company accept responsibility for the information contained in this Pricing Supplement.

SIGNED on behalf of:

ICBCIL FINANCE CO. LIMITED
工銀國際租賃財務有限公司

By _____
Duly authorised

ICBC FINANCIAL LEASING CO., LTD.
(工银金融租赁有限公司)

By _____
Duly authorised

CLEARANCE AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream or the CMU (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer nor any Dealer nor the Arrangers take any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.*

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

CMU

The CMU is a central depositary service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service ("**CMU Members**") of capital markets instruments ("**CMU Instruments**") which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and "authorised institutions" under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike the European Clearing Systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU

Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, each have with the CMU.

Book-Entry Ownership

Bearer Notes

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Issuer may also apply to have Bearer Notes accepted for clearance through the CMU. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons may be deposited with a common depositary for Euroclear and/or Clearstream, a sub-custodian for the CMU or an Alternative Clearing System as agreed between the Issuer and the Dealer. Transfers of interests in such Temporary Global Notes or Permanent Global Notes will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream or, if appropriate, the Alternative Clearing System.

Registered Notes

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. The Issuer may also apply to have Notes to be represented by a Global Certificate accepted for clearance through the CMU. Each Global Certificate will have an International Securities Identification Number ("**ISIN**") and a Common Code. Investors in Notes of such Series may hold their interests in a Global Certificate through Euroclear, Clearstream or the CMU (if applicable).

All Registered Notes will initially be in the form of a Global Certificate. Individual Certificates will only be available, in the case of Notes initially represented by a Global Certificate, in amounts specified in the applicable Pricing Supplement.

Transfers of Registered Notes

Transfers of interests in Global Certificates within Euroclear, Clearstream and the CMU will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities.

Individual Certificates

Registration of title to Registered Notes in a name other than the Hong Kong Monetary Authority or a depositary or a nominee for Clearstream and Euroclear will be permitted only in the circumstances set forth in "*Summary of Provisions Relating to the Notes while in Global Form — Exchange — Permanent Global Certificates*". In such circumstances, the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

TAXATION

The following summary of certain tax consequences of the purchase, ownership and disposition of the Notes is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This summary 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 Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as tax advice for any holder of the Notes or any person acquiring, selling or otherwise dealing in the Notes. Persons considering the purchase of the Notes should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of the Notes.

Hong Kong

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

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 Notes 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 Notes 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 Notes 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 Notes 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 Notes 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 and redemption of Notes 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 Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Notes 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 Notes 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

Stamp duty will not be payable on the issue of Bearer Notes **provided that** either:

(i) such Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

(ii) such Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong (the "**SDO**")).

If stamp duty is payable, it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Bearer Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes **provided that** either:

(i) such Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

(ii) such Registered Notes constitute loan capital (as defined in the SDO).

With effect from 17 November 2023, if stamp duty applies to the transfer of Registered Notes required to be registered in Hong Kong and which are not otherwise exempt it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the consideration or its value, whichever is higher. In addition, stamp duty is payable at the fixed rate of HK$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

PRC

The following summary describes certain PRC tax consequences of ownership and disposition of the Notes by beneficial owners who, or which, are not residents of mainland China for PRC tax purposes. These beneficial owners are referred to as non-PRC Noteholders in this section. In considering whether to invest in the Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

New EIT Law

Pursuant to the New EIT Law and its implementation regulations, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan region) but whose "de facto management bodies" are within the territory of China are deemed to be PRC tax resident enterprises for the purpose of the New EIT Law and are subject to enterprise income tax at the rate of 25 per cent. in respect of their worldwide taxable income. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "de facto management body" of the Issuer is within the territory of the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purpose of the New EIT Law and be subject to enterprise income tax at the rate of 25 per cent. on its worldwide taxable income. As at the date of this Offering Circular, the Issuer has not been notified or informed by the PRC tax authorities that it is considered as a PRC tax resident enterprise for the purpose of the New EIT Law. For as long as this continues to be the case, subject to the discussion below regarding value added tax, holders of the Notes will not be subject to withholding tax, income tax or any other taxes or duties (including stamp duty) imposed by any governmental authority in the PRC in respect of the holding of the Notes or any repayment of principal and payment of interest or premium made thereon.

However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the New EIT Law and related implementation regulations. Pursuant to the New EIT Law and its implementation regulations, any non-resident enterprise without an establishment or place of business within the PRC or whose income is not effectively connected with an establishment or place of business inside the PRC shall pay enterprise income tax at the rate of 10 per cent. on income sourced inside the PRC, unless a preferential rate is provided an applicable tax treaty or arrangement entered into between the country or region where the non-resident is established and the PRC, and such income tax will be withheld at source by the applicable PRC payer. In the case of payments to non-PRC resident individual investors, the tax may be withheld at a rate of 20 per cent. Accordingly, in the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities, interest or gains earned by non-resident investors may be treated as income derived from sources within the PRC and subject to PRC tax and the Issuer may be required to withhold income tax from the payments of interest or redemption premium in respect of the Notes to any non-PRC resident Noteholder, and gain from the disposition of the Notes may be subject to PRC tax. The tax rate is generally 10 per cent. in the case of non-PRC enterprise Noteholders and 20 per cent. in the case of non-PRC individual Noteholders (or lower applicable treaty rate, if any). The Issuer has agreed to pay additional amounts to holders of the Notes, subject to certain exceptions, so that holders of the Notes would receive the full amount of any scheduled payment if the Issuer is required to withhold PRC taxes from payments on the Notes, as further set out in the Conditions.

VAT

On 25 December 2024, the NPC issued the new Value-added Tax law (the "**New VAT Law**"), which is effective on 1 January 2026. Pursuant to the New VAT Law, VAT is applicable where the entities or individuals provide services within the PRC. The revenues generated from the taxable sale of services by entities and individuals, such as financial services, shall be subject to PRC VAT, if the seller of the services is within the PRC or the services is consumed within the PRC (including services provided to the entities or individuals located within the PRC by the entities or individuals outside of the PRC). Accordingly, if the Issuer is deemed to be a PRC resident enterprise in the PRC by the PRC tax authorities, the interest and other interest like earnings derived from such products and received by a non-PRC resident Noteholder from the Issuer may be subject to PRC VAT. The Issuer may be required to withhold VAT on payments of interest and certain other amounts on the Notes paid to Noteholder that are non-resident enterprises or individuals.

Since Noteholders are located outside of the PRC, the Issuer, acting as the withholding agent in accordance with applicable law, may be required in such instance to withhold VAT from the payment of interest income to Noteholders.

Additionally, VAT is unlikely to be applicable to any transfer of Notes between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Notes, but there is uncertainty as to the applicability of VAT if the seller of Notes is located inside the PRC.

However, the new VAT Law and its implementation, together with other laws and regulations pertaining to VAT, are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties. Thus, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise or otherwise as located in the PRC for VAT purposes and as a result be required to withhold VAT (should such tax apply) from the payments of interest in respect of the Notes for any Noteholders located outside of the PRC. The Issuer has agreed to pay additional amounts to holders of the Notes, subject to certain exceptions, so that holders of the Notes would receive the full amount of the scheduled payment, as further set out in the Conditions.

Stamp Duty

No PRC stamp duty will be chargeable upon the issue or transfer of a Note (for so long as the register of holders of the Notes is maintained outside the PRC, the issuance and the sale of the Notes are conducted outside of the PRC, no service under the relevant contracts has been or will be provided within the PRC, relevant contracts are signed outside the PRC and the governing law of such relevant contract is not PRC law).

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the jurisdiction of the issuer) have entered into, or have agreed in substance to, intergovernmental

agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

In December 2025, the NAFR promulgated the Administrative Measures for the Financial Leasing Business of Financial Leasing Companies (金融租賃公司融資租賃業務管理辦法), which is aimed to regulate the conduct of financial leasing companies in their financial leasing operations, prevent operational risks and promote high-quality development of the industry. The Administrative Measures for the Financial Leasing Business of Financial Leasing Companies set out requirements for financial leasing companies in conducting their financial leasing business across various areas, including due diligence, risk assessment and approval, the conclusion and execution of contracts, post-lease management, risk management and internal controls, and supervision and management.

In September 2024, the NAFR promulgated the Measures on Financial Leasing Companies (金融租賃公司管理辦法), which replaced the previous Measures on Financial Leasing Companies promulgated on 13 March 2014 by the then CBRC, which specifically targeted at financial leasing companies it regulates. The Measures on Financial Leasing Companies is aimed to further strengthen the supervision of financial leasing companies, prevent financial risks, optimize financial services, and promote high-quality development of the real economy. In particular, for the first time, at the level of departmental regulations, it clarifies the three-tier structure of financial leasing companies, specialised subsidiaries, and project companies. According to Notice of the General Office of the China Banking Regulatory Commission on Issuing the Interim Provisions on the Administration of the Specialised Subsidiary Companies of Financial Leasing Companies (中國銀監會辦公廳關於印發金融租賃公司專業子公司管理暫行規定的通知) promulgated by the then CBRC on 11 July 2014, financial leasing companies are allowed to establish specialised subsidiaries that operate specific financial leasing businesses in the free trade zone and tax free zone in the PRC or abroad.

Under the Measures on Financial Leasing Companies, the major shareholders should replenish capital to the financial leasing company when necessary and offer liquidity support when the company encounters difficulties meeting payment obligations. The financial leasing company should specify the above-mentioned shareholder obligations in its articles of association and clarify the corresponding loss-absorption and risk-mitigation mechanisms in the event of significant risks.

On 10 January 2014, SAFE released a Notice on Further Improving and Adjusting Regulation on Capital Item Foreign Exchange Management (關於進一步改進和調整資本項目外匯管理政策的通知), respectively. This Notice relaxed the foreign exchange regulation over financial leasing companies by (i) only requiring such companies to register their overseas claims after the occurrence of such claims; (ii) lifting the quote limitation on entering into offshore financial leasing transactions (which is replaced by a post- signing filing procedure); and (iii) allowing for direct remittance and settlement with banks.

Based on the business licence and the financial licence of the Company, the Company is permitted to engage in inter-bank lending and borrowing business.

On 1 September 2015, the General Office of the State Council promulgated the Guiding Opinion on Promoting the Healthy Development of Financial Leasing Industry (國務院辦公廳關於促進金融租賃行業健康發展的指導意見), which is intended to promote the development of the financial leasing industry, encourage involvement of private capital in the financial leasing industry and strengthen the financial leasing companies' core competitiveness. In addition, it also encourages financial leasing enterprises to establish more specialised subsidiaries in the free trade zone to improve their service quality, simplifies the registration process of transactions to benefit the financial leasing enterprises, and improves the vessel registration system to promote the development of the maritime leasing industry.

On 14 September 2015, the NDRC issued the Circular Regarding Advancing the Management and Reform of the Registration System for Foreign Debt Issuance by Enterprises (關於推進企業發行外債備案登記制管理改革的通知) ("**Circular 2044**"), which required that a PRC enterprise or its controlled non-PRC

enterprise first register with the NDRC before its issuance or incurrence of any foreign debt. Effective from 10 February 2023, the NDRC Foreign Debt Measures superseded Circular 2044. The NDRC Foreign Debt Measures applies to medium and long-term foreign debts with a maturity of more than one year that are borrowed from overseas by enterprises within the territory of the PRC and by overseas enterprises or branches controlled by aforementioned PRC enterprises, denominated in local or foreign currency, and of which principal is repaid with payment of interest as agreed. For the purpose of the NDRC Foreign Debt Measures, the forms of foreign debts include but are not limited to senior bonds, perpetual bonds, capital bonds, medium-term notes, convertible bonds, exchangeable bonds, financial leasing, and commercial loans. Before borrowing any foreign debt, the Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises (企業借用外債審核登記證明) ("**Examination and Registration Certificate**") shall be obtained from the NDRC, and such certificate shall be valid for one year from the date of issuance and be automatically invalidated upon expiry. Apart from the foregoing pre-issuance requirement, the NDRC Foreign Debt Measures stipulates post-issuance filing requirements as following:

(1) filing the information of foreign debts within 10 business days after borrowing each foreign debt; (2) filing the information on the borrowing of foreign debts within 10 business days upon the expiration of the Examination and Registration Certificate; (3) filing the information on the use of proceeds raised from foreign debts, the repayment of principal with the payment of interest, plans and arrangements, and major business indicators, etc., within five business days prior to the end of January and the end of July each year. In addition, in case of any major event that may affect the normal performance of debt obligations, enterprises shall promptly report relevant information and take risk control measures to prevent the spill-over of onshore default risks and cross default risks.

In addition, the establishment of the Shanghai Free Trade Zone also provided a series of tax preferences, registered capital relaxation and other special treatment to financial leasing companies. Its policy on financial leasing companies is believed to be a spotlight of the free trade zone area.

The Company believes that the steps taken by the PRC government above illustrate the government's support for the financial leasing industry in further developing this sector. In addition, the reform and decentralisation process of the PRC government is likely to give rise to further business opportunities for financial leasing companies. For example, the Notice on the Credit Asset Securitisation Registration Workflow Notification (關於信貸資產證券化備案登記工作流程通知) promulgated by the then CBRC in 2014 and the People's Bank of China Announcement on Matters relating to Administration of the Issuance of Credit Asset-Backed Securities ([2015] No. 7) (中國人民銀行公告(2015)第7號 — 關於信貸資產支持證券發行管理有關事宜的公告) promulgated by the PBOC in 2015 have reformed the asset securitisation process by replacing the approval process with a registration procedure, which means projects no longer need to be approved on a case-by-case basis. The PBOC and the then CBRC or CBIRC have also lowered the entry requirements for financial leasing companies to issue bonds.

PRC CURRENCY CONTROLS

Remittance of Renminbi into and outside the PRC

The 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 PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. On 1 July 2009, the PRC government promulgated Measures for the Administration of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (跨境貿易人民幣結算試點管理辦法) (the "**Measures**") and its implementation rules, pursuant to which designated and eligible enterprises are allowed to settle their cross- border trade transactions in Renminbi. Since July 2009, subject to the Measures and its implementation rules, the PRC has commenced a scheme pursuant to which Renminbi may be used for settlement of cross- border trade between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, 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), pursuant to which (i) the list of designated pilot districts was expanded to cover 18 provinces including Beijing, Shanghai, Tianjin, Chongqing, Guangdong, Jiangsu, Zhejiang, Liaoning, Shandong and Sichuan, and (ii) the restriction on designated offshore districts was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle any current account items between them (except in the case of payments for exports of goods from the PRC, such Renminbi remittance may only be effected by approved pilot enterprises in 16 provinces within the designated pilot districts in the PRC). On 17 June 2010, the PRC government promulgated the Circular on the Expansion of the Regions 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), pursuant to which the list of designated pilot districts was expanded to the whole country. On 3 February 2012, the PRC government promulgated the Circular on the Relevant Issues Pertaining to Administration over Enterprises Engaging in RMB Settlement of Export of 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), pursuant to which any enterprises in China which are qualified to engage in import and export trade are allowed to settle their goods export trade in Renminbi. On 29 April 2019, the SAFE issued the Notice of the State Administration of Foreign Exchange on the Promulgation of Administrative Measures for the Foreign Exchange Services of Payment Institutions (國家外匯管理局關於印發〈支付機構外匯業務管理辦法〉的通知) for the purpose of facilitating cross-border e-commerce settlement, promoting the sound development of foreign exchange business of payment institutions, and preventing foreign exchange payment risks, which provides that payment agencies providing foreign exchange services shall comply with this notice. On 10 April 2020, the SAFE issued Notice of the SAFE on Optimising Foreign Exchange Administration to Support the Development of Foreign-related Business (國家外匯管理局關於優化外匯管理支持涉外業務發展的通知，匯發[2020]8號), which relaxed the purchase of foreign exchange with export background for repayments of domestic foreign exchange loans and the examination and endorsement formalities. For example, financial institutions examining foreign exchange receipts and payments under the current account pursuant to the provisions may, based on internal control requirements and actual business needs and under the substantive compliance principle, decide on their own whether to endorse the amount and date of foreign exchange receipts and payments on the original copy of the document, and affix the business seal, but shall retain examination materials pursuant to the prevailing provisions for future inspection.

The Measures and the subsequent circulars will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practises in applying the Measures and impose conditions for settlement of current account items.

Capital Account Items

Under 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 the relevant PRC authorities.

Capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are generally 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 any other relevant PRC parties are also generally required to make capital account item payments including proceeds from liquidation, transfer of shares, reduction of capital and principal repayment under foreign debt to foreign investors in a foreign currency. That said, the relevant PRC authorities may approve a foreign entity to make a capital contribution or shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may also be required to complete registration and verification process with the relevant PRC authorities before such Renminbi remittances.

On 7 April 2011, SAFE promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (國家外匯管理局綜合司關於規範跨境人民幣資本項目業務操作有關問題的通知) (the "**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 payment 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 written consent of the competent commerce authority 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 (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 3 December 2013, the MOFCOM promulgated the MOFCOM RMB FDI Circular which became effective on 1 January 2014. Pursuant to the MOFCOM RMB FDI Circular, the proceeds from foreign direct investment in Renminbi may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investment in PRC domestic listed companies under the PRC strategic investment regime with the approval of the MOFCOM pursuant to the Administrative Measures for Strategic Investment by Foreign Investors in Listed Companies (外國投資者對上市公司戰略投資管理辦法).

On 3 June 2011, the PBOC promulgated the Circular on Clarifying Issues concerning Cross-border Renminbi Settlement (中國人民銀行關於明確跨境人民幣業務相關問題的通知) (the "**PBOC Circular**"). The PBOC Circular provides instructions to local PBOC authorities on procedures for the approval of settlement activities for non-financial Renminbi foreign direct investment into the PRC. The PBOC Circular applies to all non-financial Renminbi foreign direct investment into the PRC, and includes investment by way of establishing a new enterprise, acquiring an onshore enterprise, transferring the shares, increasing the registered capital of an existing enterprise, or providing loan facilities in Renminbi.

The domestic settlement banks of foreign investors or foreign invested enterprises in the PRC are required to submit written applications to the relevant local PBOC authorities which include, *inter alia*,

requisite approval letters issued by the relevant MOFCOM authorities. The PBOC Circular only applies to cases where the receiving onshore enterprise is not a financial institution.

On 13 October 2011, the PBOC issued the PBOC RMB FDI Measures, to commence the PBOC' s detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as RMB denominated cross-border loans. Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC which was previously required by the PBOC Circular is no longer necessary. On 14 June 2012, the PBOC further issued the implementing rules for the PBOC RMB FDI Measures. The PBOC RMB FDI Measures and its implementing rules were further amended on 5 June 2015.

On 5 July 2013, the PBOC promulgated the 2013 PBOC Circular which simplifies the operating procedures on current account cross-border Renminbi settlement, provision of Renminbi outbound loans and Renminbi cross-border security in favour of offshore entities by onshore non-financial institutions, and further published policies with respect to bank card related cross-border Renminbi clearing and issuance of offshore Renminbi bonds by onshore non-financial institutions. The 2013 PBOC Circular intends to improve the efficiency of cross-border Renminbi settlement and facilitate the use of cross-border Renminbi settlement by banks and enterprises.

On 19 November 2012, the SAFE promulgated the Circular on Further Improving and Adjusting the Foreign Exchange Administration Policies on Direct Investment (國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知) (the "**SAFE Circular on DI**"), which became effective on 17 December 2012 and further amended on 4 May 2015. According to the SAFE Circular on DI, the SAFE removes or adjusts certain administrative licencing items with regard to foreign exchange administration over direct investments to promote investment, including, but not limited to, the abrogation of SAFE approval for opening of and payment into foreign exchange accounts under direct investment accounts, the abrogation of SAFE approval for reinvestment with legal income generated within China of foreign investors, the simplification of the administration of foreign exchange reinvestments by foreign investment companies, and the abrogation of SAFE approval for purchase and external payment of foreign exchange under direct investment accounts.

The Circular on Reforming the Administrative Approach of the Foreign Exchange Capital Settlement for Foreign Invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知) became effective on 1 June 2015 (the "**2015 SAFE Circular**"). In addition to the option to settle foreign current capital through payment-based foreign exchange settlement, the 2015 SAFE Circular allows foreign invested enterprises to settle up to 100.0 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE's equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE's system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs on a voluntary basis. In principle, the Renminbi proceeds through the aforementioned voluntary settlement shall be deposited into designated bank account called capital account item — account for foreign currency settlement pending payment (資本項目 — 結匯待支付賬戶) (the "**Account for Foreign Currency Settlement Pending Payment**") as opened by such foreign-invested enterprise, and accordingly all future payments shall be processed from such Account for Foreign Currency Settlement Pending Payment. A negative list with respect to the usage of the foreign currency capital and the Renminbi proceeds settled therefrom is set forth under the 2015 SAFE Circular. In particular, a foreign-invested enterprise with investment as its main business (including the foreign-invested investment company, foreign-invested venture capital enterprise or foreign-invested private equity investment enterprise is permitted to use the Renminbi proceeds settled from its foreign currency capital (whether directly settled, or from the Renminbi deposit in its Account for Foreign Currency Settlement Pending Payment as previously settled through voluntary settlement) to make equity contribution to its invested enterprises directly, without further filings with SAFE.

On 10 April 2020, the SAFE issued Notice of the SAFE on Optimising Foreign Exchange Administration to Support the Development of Foreign-related Business (國家外匯管理局關於優化外匯管理支持涉外業務發展的通知，匯發[2020]8號), which aimed to promoting the reform of facilitating the payment of income under the capital account. For example, under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc. for domestic payment, without prior provision of proof materials for veracity to the bank for each transaction.

There is no assurance that the PRC government will continue to gradually liberalise controls over cross-border Renminbi remittance in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, the Company will need to source Renminbi offshore to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

SUBSCRIPTION AND SALE

Dealer Agreement

Subject to the terms and on the conditions contained in the an amended and restated dealer agreement dated on or about 6 May 2026 (as may be supplemented, amended and/or restated from time to time) (the "**Dealer Agreement**") between the Issuer, the Company, the Arrangers and the Permanent Dealers, the Notes may be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers as at the date of the Dealer Agreement. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are severally underwritten by two or more Dealers.

The Issuer, failing which the Company, will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer, failing which the Company, will reimburse each Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

Each of the Issuer and the Company has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Arrangers, the Dealers or any of their respective affiliates are 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**") and may have performed certain Banking Services or Transactions for the Issuer, the Company and/or their affiliates from time to time for which they may have received customary fees and expenses and may, from time to time, perform various Banking Services and/or Transactions for the Issuer, the Company and/or its affiliates in the ordinary course of the Issuer's or the Company's or their business for which they may have received and may receive, fees and expenses. The Dealers or certain of their respective affiliates may purchase the Notes and be allocated the Notes for asset management and/or proprietary purposes but not with a view to distribution.

If a jurisdiction requires that the offering be made by a licenced broker or dealer and the Dealers or any affiliate of the Dealers is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Issuer in such jurisdiction.

In connection with the offer and sale of the Notes, the Issuer, the Arrangers, the Dealers and/or their respective affiliates may place orders, receive allocations and purchase Notes for their own account (without a view to distributing such Notes) and such orders and/or allocations of the Notes may be material. Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other securities of the Issuer, and therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering. Accordingly, references herein to the Notes being offered should be read as including any offering of the Notes to the Issuer, the Arrangers, the Dealers and/or their respective affiliates 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 legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Notes. If this is the case, liquidity of trading in the Notes may be constrained. See "*Risk Factors — Risks Relating to the Market Generally — The Notes have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity*". The Issuer, the Arrangers and the Dealers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors.

In the ordinary course of their various business activities, the Arrangers, the Dealers 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, including the Notes, and could adversely affect the trading prices of the Notes. The Arrangers, the Dealers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuer, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Company, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Company, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Company or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

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 relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer/Company. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

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 Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

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 the Managers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Company, 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 the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers 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 Dealer with such evidence within the timeline requested.

By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Dealers that it is not a Sanctions Restricted Person. A "Sanctions Restricted Person" means an individual or entity (a "**Person**"): (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/sdnlist.pdf) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/fse/fselist.pdf) or (iii) the most current "Consolidated list of persons,

groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of the following (i) - (vi) to the extent that it will not result in violation of any sanctions by the CMIs: (i) their inclusion in the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf) (the "**SSI List**"), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "**EU Annexes**"), (iii) their inclusion in any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the U.S. Department of Commerce's Bureau of Industry and Security ("**BIS**") under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled "Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China" (known as the Non-SDN Chinese Military-Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled "Addressing the threat from Securities Investments that Finance Chinese Military Companies"; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of U.S. persons; or (c) that is located, organized or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the Donetsk's People's Republic or Luhansk People's Republic. "Sanctions Authority" means: (a) the United Nations; (b) the United States; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) the People's Republic of China; (f) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (g) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury.

Selling Restrictions

General

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Notes 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.

United States

Compliance with United States securities laws

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

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that it has not offered, sold or delivered and will not offer, sell or deliver Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified as provided below, within the United States or to, or for the account or benefit of, U.S. persons, and such

Dealer and further Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Compliance with United States tax laws

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to or for the account or benefit of a United States person, except in certain transactions permitted by U.S. tax regulations. Restrictions with respect to Notes in bearer form are described further below.

Unless the Pricing Supplement or the Subscription Agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either "**TEFRA C**" or "TEFRA not applicable", each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that in relation to each Tranche of Notes in bearer form:

(i) except to the extent permitted under U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**")) ("**TEFRA D**"):

  (a) it has not offered or sold, and during a 40-day restricted period shall not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and

  (b) it has not delivered and shall not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(ii) it has and throughout the restricted period shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D;

(iii) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it shall only do so in accordance with the requirements of U.S. Treasury Regulation §1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code); and

(iv) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (a) repeats and confirms the representations contained in sub-paragraphs (i), (ii) and (iii) on behalf of such affiliate or (b) agrees that it shall obtain from such affiliate for the benefit of the Issuer the representations contained in sub-paragraphs (i), (ii) and (iii).

Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the TEFRA D and Notice 2012-20.

To the extent that the Pricing Supplement or the Subscription Agreement relating to one or more Tranches of Notes in bearer form specifies that the applicable TEFRA exemption is "TEFRA C" under rules in substantially the same form as U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**TEFRA C**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with their original issuance of Notes in bearer form, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that it has not communicated, and shall not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including the TEFRA C and Notice 2012-20.

Each issuance of index-, commodity-or currency-linked Notes shall be subject to such additional U.S. selling restrictions as the relevant Dealer(s) shall agree with the Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. Each relevant Dealer has agreed that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Prohibition of Sales to EEA Retail Investors

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Pricing Supplement in relation thereto 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 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.

Public Offer Selling Restriction under the EU Prospectus Regulation: If the Pricing Supplement in respect of any Notes does not include a legend entitled "*Prohibition of Sales to EEA Retail Investors*", in relation to each Member State of the European Economic Area (each, a "**Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of Note to the public in that Member State:

(a) **Approved prospectus:** if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the EU Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in

that Member State, **provided that** any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the EU Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or the Pricing Supplement, as applicable, and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(c) **Fewer than 150 offerees:** at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(d) **Other Exempt offers:** at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

Prohibition of Sales to UK Retail Investors

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

  (i) not 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 European Union (Withdrawal) Act 2018 ("**EUWA**"); or

  (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes does not include a legend entitled "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer:

(a) **Approved prospectus:** at any time where the offer is conditional on the admission of the Notes to trading on the London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(a) of Schedule 1 to the POATRs);

(b) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(c) **Fewer than 150 offerees:** at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) **Other Exempt offers:** at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision, the expression "an offer of Notes to the public" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Other UK regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) in relation to any Notes having a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Company; and

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

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**Securities and Futures Ordinance**") other than (a) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; 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 or which do not constitute an offer to the public within the meaning of that Ordinance; 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, in each case whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

Unless the Pricing Supplement in respect of any Notes specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of 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.

If the Pricing Supplement in respect of any Notes specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes in the PRC (for such purposes, not including Hong Kong, Macau SAR or Taiwan) or to residents of the PRC unless such offer or sale is made in compliance with all applicable laws and regulations of the PRC.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Act**").

Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, 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 any other applicable laws, regulations and ministerial guidelines of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS ACCOUNTING STANDARDS

The consolidated financial statements of the Group included in this Offering Circular have been prepared and presented in accordance with PRC GAAP. PRC GAAP are substantially in line with IFRS Accounting Standards, except for certain modifications which reflect the PRC's unique circumstances and environment. The following is a general summary of certain differences between PRC GAAP and IFRS Accounting Standards on recognition and presentation as applicable to the Group. The Company is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there is no assurance regarding the completeness of the financial information and related footnote disclosure between PRC GAAP and IFRS Accounting Standards and no attempt has been made to quantify such differences. Had any such quantification or reconciliation been undertaken by the Company, other potentially significant accounting and disclosure differences may have been required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS Accounting Standards as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate PRC GAAP and IFRS Accounting Standards have significant ongoing projects that could affect future comparisons or events that may occur in the future.

Accordingly, there is no assurance that the following summary of differences between PRC GAAP and IFRS Accounting Standards is complete. In making an investment decision, each investor must rely upon its own examination of the Group, the terms of the offering and other disclosure contained herein. Each investor should consult its own professional advisers for an understanding the differences between PRC GAAP and IFRS Accounting Standards and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

Reversal of an Impairment Loss

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including fixed assets, intangible assets and goodwill, etc.), it shall not be reversed in any subsequent period. Under IFRS Accounting Standards, an impairment loss recognised in prior periods for an asset other than goodwill could be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Related Party Disclosures

Under PRC GAAP, state owned enterprises are not considered as related parties only because they are controlled by the state; therefore, such transactions are not required to be disclosed as related party transactions. IFRS Accounting Standards however provides for a partial exemption so differences are minor.

GENERAL INFORMATION

1. **Clearing Systems**: The Notes may be accepted for clearance through the Euroclear and Clearstream systems (which are the entities in charge of keeping the records). The Issuer may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement. The relevant ISIN, the Common Code and (where applicable) the identification number for any other relevant clearing system for each series of Notes will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be set out in the relevant Pricing Supplement. The Legal Entity Identifier of the Issuer is 549300ZCUURSNVTOEU07.

2. **Authorisations**: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment and update of the Programme and the issue of this Offering Circular. The establishment of the Programme and the update of the Programme have been duly authorised by written resolutions of the board of directors of the Issuer dated 30 April 2026. The Company has obtained all necessary consents, approvals and authorisations in connection with the entry into of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and other transaction documents in connection with the Programme and the update of the Programme has been approved by the internal approvals of the Company dated 31 July 2024. PRC counsel to the Company and the Dealers have advised that no approvals or consents are required from any regulatory authorities or other relevant authorities in the PRC for the Company to enter into the Trust Deed, the Keepwell Deed and Liquidity Support and the Deed of Asset Purchase Undertaking. ICBC Maritime has obtained all necessary consents, approvals and authorisations in connection with the entry into of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and other transaction documents in connection with the Programme. The update of the Programme have been duly authorised by written resolutions of the board of directors of ICBC Maritime dated 30 April 2026.

3. **NDRC Registration**: Where applicable, the Notes will be issued under the foreign debt issuance quota contained in the pre-issuance registration certificate granted by the NDRC to ICBC prior to the issuance of the Notes under the Programme pursuant to the NDRC Foreign Debt Measures. The Issuer or the Company is still required to file with the NDRC the requisite information on the issuance of the Notes after the issuance of such Notes.

4. **No Material Adverse Change**: Except as disclosed in this Offering Circular, there has been no material adverse change since the incorporation of the Issuer in the financial or trading position, prospects or results of operations of the Issuer and there has been no material adverse change since 31 December 2025 in the financial or trading position, prospects or results of operations of the Group.

5. **Litigation**: None of the Issuer, the Company or any member of the Group is involved in any litigation or arbitration proceedings, which the Issuer, the Company or the Group, as the case may be, believes are material in the context of the Notes and, so far as the Issuer or the Company is aware, no such litigation or arbitration proceedings are pending or threatened.

6. **Listing**: Application has been made to the Hong Kong Stock Exchange for the listing of the Programme under which the Notes may be issued by way of debt issues to Professional Investors only for 12 months after 7 May 2026, as described in this Offering Circular. Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and if so, on which stock exchange(s).

7. **Available Documents**: As long as any Note is outstanding, copies of the following documents will be available (1) for inspection during normal business hours (being between 9:00 a.m. and 3:00 p.m. from Monday to Friday (other than public holidays)) at the specified office of the Issuing and Paying Agent or (ii) electronically via email from the Trustee or, as the case may be, the Issuing and Paying Agent, in each case following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the Issuing and Paying Agent:

   (a) constitutional documents (or equivalent) of the Issuer, ICBC Maritime and the Company;

   (b) copies of (i) the Group Audited Financial Statements, (ii) the Group Reviewed Financial Statements;

   (c) the Agency Agreement;

   (d) the Trust Deed;

   (e) the Keepwell and Liquidity Support Deed; and

   (f) the Deed of Asset Purchase Undertaking.

   Asset purchases under the Deed of Asset Purchase Undertaking: PRC counsel to the Dealers and the Issuer have confirmed that (i) if the assets to be purchased under the Deed of Asset Purchase Undertaking would be imported into the PRC, the relevant PRC governmental approvals or permits from PRC approval authorities, including but not limited to NDRC, Civil Aviation Administration of China, MOFCOM and the General Administration of Customs of the PRC (中華人民共和國海關總署), are required and (ii) if the purchased assets under the Deed of Asset Purchase Undertaking would not be imported into the PRC, and those assets would be leased by the Company after the purchase (falling within the ambit of the finance leasing laws in the PRC), the Company should register such lease at the local foreign exchange authority within 15 working days upon an external claim and there are no other Regulatory Approvals (as defined in the Deed of Asset Purchase Undertaking) required under the PRC laws.

8. **Financial Statements**: The Group's audited consolidated financial statements as at and for the years ended 31 December 2024 and 2025, which are included in this Offering Circular, have been prepared in accordance with PRC GAAP and audited by KPMG Huazhen, as stated in the reports appearing herein.

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ICBC Financial Leasing Co., Ltd.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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Independent Auditors' Report

To the Board of Directors of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Opinion

We have audited the accompanying financial statements of ICBC Financial Leasing Co., Ltd. (the "Company"), which comprise the consolidated balance sheet and balance sheet as at 31 December 2025, the consolidated income statement and income statement, the consolidated cash flow statement and cash flow statement, and the consolidated statement of changes in owners' equity and the statement of changes in owners' equity for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of the Company as at 31 December 2025, and the consolidated and company financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing("ISAs") .Our responsibility under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statement* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the People's Republic of China, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG Huazhen LLP, a People's Republic of China partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Independent Auditors' Report (continued)

To the Shareholders of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Other information

Management is responsible for the other information. The other information comprises all the information included in 2025 annual report of the Company, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent Auditors' Report (continued)

To the Shareholders of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

KPMG

Independent Auditors' Report (continued)

To the Shareholders of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Huazhen LLP

Certified Public Accountants
8th Floor, Tower E2, Oriental Plaza
1 East Chang An Avenue
Beijing 100738, China
27 April 2026

ICBC Financial Leasing Co., Ltd.
Consolidated balance sheet and balance sheet
31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		31 December 2025	31 December 2024 (Restated)	31 December 2025	31 December 2024
ASSETS					
Deposits with the central bank	1	1,000,313	25,171	1,000,313	25,171
Cash and bank balances	2	41,894,596	41,471,338	3,066,023	2,838,058
Derivative financial assets	3	-	29,867	-	-
Lease receivables	4	163,474,385	166,719,921	86,503,787	85,204,585
Other debt investments	5	3,617,776	2,890,198	2,801,128	2,266,808
Investments in other equity instruments	6	180,967	239,832	41,541	42,107
Financial assets held for trading	7	657,192	838,372	-	-
Long-term equity investments	8	55,441	84,206	9,490,025	9,485,025
Investment properties	9	3,957,910	4,148,659	-	-
Prepayments	10	13,554,915	8,323,996	9,331,467	3,909,057
Fixed assets	11	154,008,381	155,252,707	3,544,133	924,065
Construction in progress	12	14,264,718	13,539,611	1,811,959	1,953,780
Right-of-use assets	13	6,908,556	7,905,850	13,802	22,906
Deferred tax assets	14	806,658	766,047	708,424	686,558
Other assets	15	4,061,570	4,446,231	93,876,401	79,793,932
Total assets		408,443,378	406,682,006	212,189,003	187,152,052

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated balance sheet and balance sheet (continued)
31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		31 December 2025	31 December 2024 (Restated)	31 December 2025	31 December 2024
LIABILITIES AND EQUITY					
Liabilities					
Borrowings	16	291,931,246	298,355,218	151,966,098	142,967,513
Financial assets sold under repurchase agreements	17	2,332,182	1,953,808	2,332,182	1,953,808
Advances from customers	18	1,988,406	2,113,168	132,759	198,075
Bills payable	19	2,626,185	2,155,563	2,626,185	2,155,563
Employee benefits payable	20	320,566	280,338	317,333	277,260
Taxes payable	21	1,095,550	1,155,832	5,999	5,672
Security deposits payable	22	1,216,996	1,270,340	215,603	269,247
Other payables	23	7,025,108	7,647,061	176,605	175,255
Debt securities issued	24	37,019,675	44,944,974	11,199,298	11,193,346
Long-term payables	25	46,259	47,309	-	-
Lease liabilities	26	4,057,247	4,928,120	15,333	28,154
Deferred tax liabilities	14	2,178,450	2,187,335	-	-
Total liabilities		351,837,870	367,039,066	168,987,395	159,223,893

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated balance sheet and balance sheet (continued)
31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		31 December 2025	31 December 2024 (Restated)	31 December 2025	31 December 2024
Equity					
Paid-in capital	27	33,000,000	18,000,000	33,000,000	18,000,000
Capital reserve		32	32	-	-
Other comprehensive income		572,596	851,196	2,009	37,849
Surplus reserve	28	3,211,214	3,068,576	1,822,647	1,780,792
General reserve	29	3,458,594	3,099,568	3,258,812	2,899,786
Retained earnings		15,824,139	14,218,350	5,118,140	5,209,732
Attributable to owners of the Company		56,066,575	39,237,722	43,201,608	27,928,159
Non-controlling interests		538,933	405,218	-	-
Total equity		56,605,508	39,642,940	43,201,608	27,928,159
Total liabilities and equity		408,443,378	406,682,006	212,189,003	187,152,052

Legal Representative	Chief Executive Officer	General Manager of Finance Department	(Company stamp)
Zhang, Zhenghua	Zhang, Bao	Liu, Jian	

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated income statement and income statement
Year ended 31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2025	2024 (Restated)	2025	2024
Operating income					
Finance lease income and interest income	30	8,162,274	9,733,458	5,160,882	5,461,189
Operating lease income	31	17,917,015	17,878,313	112,547	3,144
Fee and commission income	32	202,981	245,506	40,193	7,395
Investment income		57,613	56,348	20,362	27,581
Other income	33	184,270	678,619	50,200	120,000
Losses from changes in fair value		(122,764)	(7,035)	-	-
Exchange (losses)/gains		(12,456)	(1,164)	11,559	(5,707)
Other operating income	34	137,457	527,465	127,888	480
Gains from asset disposals	35	1,413,696	65,648	235	-
Total Operating Income		27,940,086	29,177,158	5,523,866	5,614,082
Operating expenses					
Interest expenses	36	11,431,304	14,229,635	4,255,242	4,485,774
Operating lease expenses	37	10,118,755	9,750,633	54,186	1,574
Fee and commission expenses		184,226	222,629	91,920	127,982
Taxes and surcharges	38	172,680	142,891	50,586	35,867
Operating and administrative expenses	39	654,701	755,055	474,116	480,869
Impairment losses/(reversals)	40	2,073,780	917,507	(67,435)	(374,441)
Total Operating Expenses		24,635,446	26,018,350	4,858,615	4,757,625
Operating profit		3,304,640	3,158,808	665,251	856,457
Add: Non-operating income		42,152	476	55	214
Less: Non-operating expenses		73,096	120,880	72,306	120,752
Profit before taxation		3,273,696	3,038,404	593,000	735,919
Less: Income tax expenses	41	1,105,210	1,437,573	283,711	173,104
Net profit for the year		2,168,486	1,600,831	309,289	562,815
Attributable to:					
Owners of the Company		2,024,154	1,537,098	309,289	562,815
Non-controlling interests		144,332	63,733	-	-

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated income statement and income statement (continued)
Year ended 31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2025	2024 (Restated)	2025	2024
Other comprehensive income, net of tax	42	(205,918)	105,727	(35,840)	24,700
(I) Other comprehensive income (net of tax) attributable to owners of the Company		(195,301)	100,242	(35,840)	24,700
1. Items that will not be reclassified to profit or loss					
Changes in fair value of investments in other equity instruments		87,453	2,804	(424)	2,332
2. Items that may be reclassified to profit or loss					
(1) Changes in fair value of other debt investments		149,067	(248,547)	(35,416)	22,368
(2) Allowance for impairment losses of other debt investments		34,835	62,918	-	-
(3) Translation differences arising from translation of foreign currency financial statements		(475,064)	283,067	-	-
(4) Other comprehensive income recognised under the equity method		8,408	-	-	-
(II) Other comprehensive income (net of tax) attributable to non-controlling interests		(10,617)	5,485	-	-
Total comprehensive income for the year		1,962,568	1,706,558	273,449	587,515
Attributable to:					
(I) Owners of the Company		1,828,853	1,637,340	273,449	587,515
(II) Non-controling interests		133,715	69,218	-	-

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated cash flow statement and cash flow statement
Year ended 31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2025	2024 (Restated)	2025	2024
I. Cash Flows from Operating Activities					
Net decrease in finance lease receivables, sale-and-leaseback receivables and prepayments		-	5,955,533	-	1,005,603
Cash received from finance lease, interest income, fees and commissions		8,008,073	9,575,223	5,512,092	5,048,111
Cash received from operating lease rentals		17,392,968	17,495,479	36,875	3,144
Net increase in short-term borrowings		22,385,699	5,428,304	4,784,296	24,884,380
Net increase in repurchase agreements		416,043	297,470	416,043	297,470
Net decrease in entrusted loans		-	76,837	-	-
Net decrease in deposits with the central bank		19,355	-	19,355	-
Cash received from other operating activities		1,624,826	7,151,249	1,628,435	2,320,989
Subtotal of cash inflows from operating activities		49,846,964	45,980,095	12,397,096	33,559,697
Net increase in finance lease receivables, sale-and-leaseback receivables and prepayments		(4,296,091)	-	(6,079,278)	-
Net increase in entrusted loans		-	-	(16,748,853)	(21,195,730)
Cash payments for interest of short-term borrowings, fees and commissions		(4,829,292)	(4,903,521)	(3,378,340)	(3,750,967)
Payment to and for employees		(363,282)	(340,583)	(307,064)	(322,545)
Payment of taxes		(1,326,459)	(1,334,285)	(476,810)	(519,566)
Net increase in deposits with the central bank		-	(6,393)	-	(6,393)
Cash paid for other operating activities		(3,926,473)	(4,578,064)	(1,139,416)	(400,570)
Subtotal of cash outflows from operating activities		(14,741,597)	(11,162,846)	(28,129,761)	(26,195,771)
Net Cash Flow from operating activities	44(1)	35,105,367	34,817,249	(15,732,665)	7,363,926
II. Cash Flows from Investing Activities					
Proceeds on disposals of fixed assets, intangible assets and other long-term assets		9,870,433	8,647,175	1,374,728	-
Proceeds on disposals and recovery investments		753,449	123,528	450,000	-
Cash received from investment income		165,501	168,786	53,976	47,542
Proceeds on disposals of subsidiaries		-	-	53	31,776
Subtotal of cash inflows from investing activities		10,789,383	8,939,489	1,878,757	79,318
Payment for acquisition of fixed assets, intangible assets and other long-term assets		(19,083,917)	(19,074,330)	(2,915,750)	(127,285)
Payment for acquisition of subsidiaries		-	-	(5,100)	(6,393,890)
Payments for investments		(10,167,385)	(11,270,300)	(1,010,000)	(190,000)
Subtotal of cash outflows from investing activities		(29,251,302)	(30,344,630)	(3,930,850)	(6,711,175)
Net cash flows from investing activities		(18,461,919)	(21,405,141)	(2,052,093)	(6,631,857)

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated cash flow statement and cash flow statement (continued)
Year ended 31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2025	2024 (Restated)	2025	2024
III. Cash Flows from Financing Activities					
Proceeds from investors		15,000,000	-	15,000,000	-
Proceeds from long-term borrowings		33,664,710	30,101,977	17,724,077	14,019,162
Proceeds from issuance of debt securities		4,628,599	13,068,097	-	11,000,000
Subtotal of cash inflows from financing activities		53,293,309	43,170,074	32,724,077	25,019,162
Repayments of long-term borrowings		(58,090,854)	(5,251,907)	(12,636,705)	(12,514,697)
Interest paid on long-term borrowings		(5,604,503)	(6,847,176)	(752,685)	(882,699)
Repayments of debt securities		(11,900,071)	(31,906,359)	-	(10,000,000)
Interest paid on debt securities		(1,100,877)	(2,550,034)	(269,613)	(365,666)
Repayment of lease liabilities		(905,588)	(2,359,037)	(11,529)	(8,102)
Subtotal of cash outflows from financing activities		(77,601,893)	(48,914,513)	(13,670,532)	(23,771,164)
Net Cash Flows from financing activities		(24,308,584)	(5,744,439)	19,053,545	1,247,998
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(316,670)	213,694	(46,230)	16,912
V. Net change in cash and cash equivalents	44(2)	(7,981,806)	7,881,363	1,222,557	1,996,979
Add: Cash and cash equivalents at the beginning of the year		23,659,129	15,777,766	2,843,933	846,954
VI. Cash and cash equivalents at the end of the year	43	15,677,323	23,659,129	4,066,490	2,843,933

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated statement of changes in owners' equity
Year ended 31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	Attributable to owners of the Company							Non-controlling interests	Total
		Paid-in capital	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total		
Balance at 1 January 2025		18,000,000	32	851,196	3,068,576	3,099,568	14,218,350	39,237,722	405,218	39,642,940
Changes in equity during the year										
1. Total comprehensive income		-	-	(195,301)	-	-	2,024,154	1,828,853	133,715	1,962,568
2. Shareholders' contributions of capital	27	15,000,000	-	-	-	-	-	15,000,000	-	15,000,000
3. Appropriation of profits										
- Appropriation for surplus reserve	28	-	-	-	142,638	-	(142,638)	-	-	-
- Appropriation for general reserve	29	-	-	-	-	359,026	(359,026)	-	-	-
4. Transfers within equity										
- Transfer of other comprehensive income to retained earnings	6	-	-	(83,299)	-	-	83,299	-	-	-
Subtotal of 1 to 4 above		15,000,000	-	(278,600)	142,638	359,026	1,605,789	16,828,853	133,715	16,962,568
Balance at 31 December 2025		33,000,000	32	572,596	3,211,214	3,458,594	15,824,139	56,066,575	538,933	56,605,508

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated statement of changes in owners' equity
Year ended 31 December 2024 (Restated)
(In RMB'000, unless otherwise stated)

	Note IV	Attributable to owners of the Company							Non-controlling interests	Total
		Paid-in capital	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total		
Balance at 31 December 2023		18,000,000	493,234	751,232	2,916,739	2,922,506	23,756,910	48,840,621	336,000	49,176,621
Business combination involving enterprises under the common control		-	(493,202)	(278)	-	-	(10,746,759)	(11,240,239)	-	(11,240,239)
Balance at 1 January 2024		18,000,000	32	750,954	2,916,739	2,922,506	13,010,151	37,600,382	336,000	37,936,382
Changes in equity during the year										
1. Total comprehensive income		-	-	100,242	-	-	1,537,098	1,637,340	69,218	1,706,558
2. Appropriation of profits										
- Appropriation for surplus reserve	28	-	-	-	151,837	-	(151,837)	-	-	-
- Appropriation for general reserve	29	-	-	-	-	177,062	(177,062)	-	-	-
Subtotal of 1 to 2 above		-	-	100,242	151,837	177,062	1,208,199	1,637,340	69,218	1,706,558
Balance at 31 December 2024		18,000,000	32	851,196	3,068,576	3,099,568	14,218,350	39,237,722	405,218	39,642,940

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Statement of changes in owners' equity
Year ended 31 December 2025
(In RMB'000, unless otherwise stated)

	Note IV	*Paid-in capital*	*Other comprehensive income*	*Surplus reserve*	*General reserve*	*Retained earnings*	*Total*
Balance at 1 January 2025		18,000,000	37,849	1,780,792	2,899,786	5,209,732	27,928,159
Changes in equity during the year							
1. Total comprehensive income		-	(35,840)	-	-	309,289	273,449
2. Shareholders' contributions of capital	27	15,000,000	-	-	-	-	15,000,000
3. Appropriation of profits							
- Appropriation for surplus reserve	28	-	-	41,855	-	(41,855)	-
- Appropriation for general reserve	29	-	-	-	359,026	(359,026)	-
Subtotal of 1 to 3 above		15,000,000	(35,840)	41,855	359,026	(91,592)	15,273,449
Balance at 31 December 2025		33,000,000	2,009	1,822,647	3,258,812	5,118,140	43,201,608

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Statement of changes in owners' equity
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	*Paid-in capital*	*Other comprehensive income*	*Surplus reserve*	*General reserve*	*Retained earnings*	*Total*
Balance at 1 January 2024		18,000,000	13,149	1,720,409	2,722,724	4,884,362	27,340,644
Changes in equity during the year							
1. Total comprehensive income		-	24,700	-	-	562,815	587,515
2. Appropriation of profits							
- Appropriation for surplus reserve	28	-	-	60,383	-	(60,383)	-
- Appropriation for general reserve	29	-	-	-	177,062	(177,062)	-
Subtotal of 1 to 2 above		-	24,700	60,383	177,062	325,370	587,515
Balance at 31 December 2024		18,000,000	37,849	1,780,792	2,899,786	5,209,732	27,928,159

The accompanying notes form part of the financial statements.

I. GENERAL

ICBC Financial Leasing Co., Ltd. (the "Company") is a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited ("ICBC"). It obtained Yin Jian Fu [2007] No. 407 Official Reply of the CBRC on Approving the Establishment of Finance Lease Company by ICBC from the former China Banking Regulatory Commission (the "former CBRC") on 18 September 2007 and was incorporated in Tianjin on 26 November 2007.

The Company obtained its financial permit No. M0011H212000001 from the former CBRC. The Company obtained its business license with unified social credit code 91120116710935177L from the Market Supervision Administration of Tianjin Economic-Technological Development Area. The legal representative is Zhang Zhenghua, and the registered office is located at No. 62 Second Street Taida MSD-Tower B1 Floor 20, Tianjin Economic-Technological Development Area. As at 31 December 2025, the Company has had a registered capital of RMB 33,000,000,000.

The principal activities of the Company and its subsidiaries (the "Group") comprise financial leasing business, transfer and assignment of financial leasing assets, fixed-income securities investment business, acceptance of leasing deposits from the lessee, interbank borrowings, borrowings from financial institutions, overseas borrowings, sale and disposal of leased properties, economic consultation, establishment of project companies in domestic bonded areas to carry out financial leasing business, provision of guarantee for external financing of holding subsidiaries and project companies, and other businesses approved by the banking and insurance regulatory authority of the State Council. For items subject to approval according to law, business activities can be carried out only after approval by the relevant authorities.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the going concern basis.

1. Statement of compliance

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises, which are also referred to as China Accounting Standards ("CAS"), issued by the Ministry of Finance ("MOF") of the People's Republic of China. These financial statements present truly and completely the consolidated and company financial position of the Company as at 31 December 2025, and the consolidated and company financial performance and cash flows of the Company for the year then ended.

2. Accounting year

The accounting year of the Group is from 1 January to 31 December.

3. Functional currency and presentation currency

The Company's functional currency is Renminbi ("RMB") and these financial statements are presented in Renminbi. Functional currency is determined by the Company and its subsidiaries on the basis of the currency in which major income and costs are denominated and settled. Some of the Company's subsidiaries have functional currencies that are different from the Company's functional currency. Their financial statements have been translated based on the accounting policy set out in Note III.3.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments which are measured at fair value, the Group adopts the historical cost as the principle of measurement in the financial statements. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements.

Under historical cost measurement, assets are measured at the fair value of the amount of cash and cash equivalents paid at the time of acquisition or the consideration paid. Liabilities are measured in terms of the amount of money or assets actually received as a result of the assumption of a present obligation, or the amount of a contract for the assumption of a current obligation, or the amount of cash or cash equivalents expected to be paid in the ordinary course of business to meet the liability.

2. Business combinations and consolidated financial statements

(a) Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The party that obtains control over other entities at the combination date is the absorbing party, while the other participating entities in the combination is a party being absorbed. The combination date is the date on which the absorbing party effectively obtains control of the party being absorbed.

The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired by the absorbing party and the consideration paid for the combination (or the total face value of shares issued) is adjusted against the capital premium in the capital reserve, with any excess adjusted against retained earnings. Any costs directly attributable to the combination is recognized in profit or loss when incurred.

(b) Consolidated financial statements

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. Control exists when the investor has all of following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where a subsidiary was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the related items in the consolidated financial statements are also adjusted.

When the accounting period and accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period and accounting policies. Intra-group balances and transactions, and any unrealized profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains, unless they represent impairment losses that are recognized in the financial statements.

3. Foreign currency translation

When the Group receives capital in foreign currencies from investors, the capital is translated to RMB at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to RMB at the spot exchange rates or rates that approximate the spot exchange rates on the dates of the transactions. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, such as the average exchange rate of the current period.

Monetary items denominated in foreign currencies are translated to RMB at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognized in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the acquisition and construction of qualifying assets (see Note III.19) and exchange differences arising from changes in book balances other than amortized cost of monetary items classified at fair value through comprehensive income. Non-monetary items that are measured at historical cost in foreign currencies are translated to RMB using the exchange rate at the transaction date. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognized in profit and loss or as other comprehensive income.

Some of the Group's subsidiaries have functional currencies that are different from the Company's functional currency. Assets and liabilities of foreign operations are translated to RMB at the spot exchange rate at the balance sheet date. Equity items, excluding retained earnings and foreign currency translation differences recognized in other comprehensive income, are translated to RMB at the spot exchange rates at the transaction dates. Income and expenses of foreign operations are translated to RMB at the spot exchange rates or exchange rates similar to spot exchange rates at the transaction dates. The resulting translation differences are recognized in other comprehensive income. The translation differences accumulated in other comprehensive income with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

The effect of exchange rate changes on cash and cash equivalents is presented separately in the cash flow statement.

4. Cash and cash equivalents

Cash and cash equivalents refer to short-term highly liquid assets, which are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents comprise cash, unrestricted balances with the central bank and bank balances with original maturity of less than three months, etc.

5. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Initial recognition of financial instruments

At initial recognition, financial assets of the Group are classified into three categories, i.e., financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income ("FVTOCI") and financial assets measured at fair value through profit or loss ("FVTPL").

At initial recognition, financial liabilities of the Group are classified into two categories, i.e., financial liabilities measured at FVTPL and other financial liabilities.

Financial assets and financial liabilities are measured initially at fair value. For financial assets and financial liabilities measured at FVTPL, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs.

(b) Classification and subsequent measurement of financial assets

Classification of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, financial assets are classified into three categories, i.e., as measured at amortized cost, at FVTOCI, or at FVTPL.

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

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

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

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably designate to present subsequent changes in the investment's fair value in other comprehensive income. This designation is made on an investment-by-investment basis and the underlying investment meets the definition of an equity instrument from the perspective of the issuer.

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

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Subsequent measurement of financial assets

Financial assets measured at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, unless the financial assets are part of a hedging relationship, including any interest or dividend income, are recognized in profit or loss.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost and is not part of a hedging relationship shall be recognized in profit or loss when the financial asset is derecognized, reclassified, amortized using the effective interest or impaired.

Investments in debt instruments measured at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment losses and foreign exchange gains and losses are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Investments in equity instruments measured at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(c) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL and other financial liabilities.

Financial liabilities measured at FVTPL

A financial liability is classified as measured at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

A financial liability may be designated as at FVTPL upon initial recognition if:

(1) such designation eliminates or significantly reduces accounting mismatch;

(2) the Group makes management and performance evaluation on a fair value basis for a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities, in accordance with the Group's formally documented risk management or investment strategy, and reports to key management personnel on that basis;

(3) the qualified hybrid contract that contains embedded derivatives.

Financial liabilities measured at FVTPL are subsequently measured at fair value and gains and losses (including any interest expense) are recognized in profit or loss, unless the financial liabilities are part of a hedging relationship.

For the financial liabilities designated as at FVTPL, the amount of changes in the fair value of the financial liability arising from changes in the Group's own credit risk should be included in other comprehensive income; other changes in fair value of the financial liabilities are recognized in current profit or loss. If the treatment of the impact of changes in the financial liabilities' own credit risk will create or enlarge the accounting mismatch in profit or loss in accordance with (i), the Group recognizes the entire gain or loss of the financial liabilities (including the amount of the impact of changes in its own credit risk) in profit and loss. When these liabilities are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

(d) Presentation of financial assets and financial liabilities

Financial assets and financial liabilities are generally presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognized amounts; and
- the Group intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(e) Derecognition of financial assets and financial liabilities

Derecognition of financial assets

Financial asset is derecognized when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where the Group has transferred its rights to receive cash flows from an asset or has retained its rights to receive cash flows from the asset but assumed the obligation to pay those cash flows to the eventual recipients and meanwhile meet the conditions of the transfer of financial assets, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the amount of consideration that the Group could be required to repay.

The derecognition of financial assets sold on condition of repurchase is determined by the economic substance of the transaction. If a financial asset is sold under an agreement to repurchase the same or substantially the same asset at a fixed price or at the sale price (in case of transferor sells such financial asset) plus a reasonable return, the Group will not derecognize the asset. If a financial asset is sold together with an option to repurchase the financial asset at its fair value at the time of repurchase, the Group will derecognize the financial asset.

Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

6. Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to profit or loss.

For less complex derivative products, the fair values are principally determined by valuation models which are commonly used by market participants.Inputs to valuation models are determined from observable market data wherever possible, including foreign exchange spot and forward rates and interest rate yield curves. For more complex derivative products, the fair values are mainly determined by quoted prices from dealers.

7. Provision for impairment of assets

(a) Impairment of financial assets

The Group recognizes loss allowances for expected credit loss ("ECL") on:

- Financial assets measured at amortized cost;
- Investments in debt instruments measured at FVTOCI;
- Lease receivables;
- Loan commitments and financial guarantee contracts.

Other financial assets measured at fair value, including investments in debt instruments and equity instruments measured at FVTPL, investments in equity instruments designated at FVTOCI and derivative financial assets, are not subject to the ECL assessment.

Expected credit loss ("ECL")

The Group measures ECLs of related financial assets based on the methods below:

- For financial assets and lease receivables, credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive;
- For financial assets that are not purchased or originated credit-impaired but are credit-impaired as at the balance sheet date, credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

The Group's method of measuring expected credit losses of financial instruments reflects the following elements: (i) unbiased weighted average probability determined by the results of evaluating a range of possible outcomes; (ii) time value of money; (iii) reasonable and evidence-based information about past events, current conditions, and future economic forecasts that are available at no additional cost or effort at the end of the reporting period.

The maximum period considered when measuring ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the end of the reporting period (or the expected life if the expected life of the instrument is less than 12 months).

The Group measures the loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- Financial instruments that are determined to have low credit risk at the reporting date; and
- Financial instruments for which credit risk has not increased significantly since initial recognition.

At the balance sheet date, if the financial instrument is considered to have low credit risk, the Group assumes that the credit risk of such financial instrument has not significantly increase since initial recognition. If the risk of default of the financial instrument is low, the debtor has strong ability to fulfill contractual obligations in the short term and the negative change in economic situation and operational environment in the longer period does not necessarily lower the debtor's fulfillment of contractual obligations, then such financial instrument is considered to have low credit risk.

The Group classifies finance lease receivable into following three stages and makes provisions for expected credit losses accordingly, depending on whether credit risk on that financial instrument has increased significantly and whether the assets have been credit-impared since initial recognition.

Stage 1: A financial instrument of which the credit risk has not significantly increase since initial recognition. The amount equal to 12-month expected credit losses is recognized as loss allowance.

Stage 2: A financial instrument with a significant increase in credit risk since initial recognition but is not considered to be credit-impaired. The amount equal to lifetime expected credit losses is recognized as loss allowance. Refer to Note VI.1 for the description of how the Group determines when a significant increase in credit risk has occurred.

Stage 3: A financial instrument is considered to be credit-impaired as at the end of the reporting period. The amount equal to lifetime expected credit losses is recognized as loss allowance. Refer to Note VI.1 for the definition of credit-impaired financial assets.

Presentation of allowance for ECL

ECLs are remeasured at the end of each reporting period to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for financial instruments measured at amortized cost with a corresponding adjustment to their carrying amount through a loss allowance account; for investments in debt instruments that are measured at FVTOCI, the loss allowance is recognized in other comprehensive income and is not offset against the carrying amount of the financial asset.

Write-off

The book value of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b) Impairment of other assets

The carrying amounts of the following assets are reviewed at each balance sheet date based on the internal and external sources of information to determine whether there is any indication of impairment:

- fixed assets
- right-of-use assets
- intangible assets
- construction in progress
- long-term deferred expenses
- long-term equity investments, etc.

The Group performs impairment tests to estimate the recoverable amount of the asset if any indication exists that an asset may be impaired.

The recoverable amount of an asset is the higher of its fair value (see Note III.13) less costs to sell and its present value of expected future cash flows.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate.

If the estimated result indicates the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. An allowance for impairment of the asset is recognized accordingly.

Once an impairment loss is recognized, it is not reversed in a subsequent period.

8. Leases

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- the lessee has the right to direct the use of the asset.

If a contract contains lease and non-lease components, the Group applies practical expedient not to separate non-lease components from lease components for the leases in which the Group is a lessee, and instead accounts for the lease components and any associated non-lease components as a single lease component; the Group elects to separate the lease and non-lease components for the leases in which the Group is a lessor, and allocates the consideration in the contract to each lease and non-lease component on their relative aggregate standard-alone selling price basis.

(a) The Group as a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note III.7(b).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Each institution of the Group uses interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment as incremental borrowing rate.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Group remeasures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

(b) The Group as a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Group is a sub-lessor, it assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies practical expedient described above, then it classifies the sub-lease as an operating lease.

Under a finance lease, at the commencement date, the Group recognizes the finance lease receivable and derecognizes the finance lease asset. The finance lease receivable is initially measured at an amount equal to the net investment in the lease. The net investment in the lease is measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease.

The Group recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return. The derecognition and impairment of the finance lease receivable are recognized in accordance with the accounting policy in Note III.5(e) and Note III.7(a). Variable lease payments not included in the measurement of net investment in the lease are recognized in profit or loss in the period in which they are incurred.

Lease receipts from operating leases is recognized as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalized and subsequently amortized in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognized in profit or loss in the period in which they are incurred.

9. Long-term equity investments

(a) Investments in subsidiaries

The Group's long-term equity investments in subsidiaries are accounted for using the cost method, under which long-term equity investments are initially measured at cost. For the long-term equity investments acquired through a business combination, the initial cost of a long-term equity investment acquired through a business combination involving entities under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. The initial cost of a long-term equity investment acquired other than through a business combination, the initial cost is determined as follows: if the Group acquires the investment by cash, the long-term equity investment is initially recognized at the aggregate of the cash paid, the initial direct costs, the tax, and any other costs that are directly attributable; if the investment is acquired by issuing equity securities, the long-term equity investment is initially recognized at the fair value of the equity securities issued. The investments in subsidiaries are stated in the balance sheet at cost less accumulated impairment losses (refer to Note III.7(b)).

(b) Investments in joint ventures and associates

A joint venture is an arrangement whereby the Group and other parties have joint control and rights to the net assets of the arrangement. An associate is an enterprise over which the Group has significant influence.

An investment in a joint venture or an associate is initially recognised at the amount of cash paid if the Group acquires the investment by cash.

An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale.

After acquiring the investment, the Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution ("other changes in owners' equity"), are recognised directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly.

Unrealised profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealised gains, unless they represent impairment losses that are recognised in full in the financial statements.

The Group discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the joint venture or associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the joint venture or associate subsequently reports net profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

10. Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both.

The Group's investment properties are subsequently accounted for using the fair value model when both of the following conditions are met:

- There is an active property market in the location in which the investment property is situated;
- The Group can obtain the market price and other relevant information regarding the same type of or similar properties from the property market, so as to reasonably estimate the fair value of the investment property.

No depreciation or amortisation is provided for an investment property accounted for using the fair value model. The carrying amount of the investment property is adjusted to its fair value (see Note III.13) at the balance sheet date. The difference between the fair value and the original carrying amount is recognised in profit or loss.

11. Fixed assets and construction in progress

Fixed assets represent the tangible assets held by the Group for rental to others or for administrative purposes with useful lives over one accounting year. The Group's fixed assets comprise operating lease assets, properties and buildings, motor vehicles, office equipment and computers, etc..

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see Note III.7(b)). Construction in progress is stated in the balance sheet at cost less impairment losses (see Note III.7(b)).

The initial cost of a purchased fixed asset comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use. The initial cost of self-constructed assets includes the cost of materials, direct labour, capitalized borrowing costs (see Note III.19), and any other costs directly attributable to bringing the asset to working condition for its intended use.

Construction in progress is transferred to fixed assets when it is ready for its intended use. No depreciation is provided against construction in progress.

If different depreciation rates or methods have been applied to the related parts of an item of fixed assets with different useful lives or providing benefits to the Group in different ways, each part is recognized as a separate fixed asset.

Any subsequent costs including the cost of replacing part of an item of fixed assets are recognized as assets when it is probable that the economic benefits associated with the costs will flow to the Group, and the carrying amount of the replaced part is derecognized. The costs of the day-to-day maintenance of fixed assets are recognized in profit or loss as incurred.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

The cost of a fixed asset, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful life, unless the fixed asset is classified as held for sale. The estimated useful lives, estimated net residual value rates and depreciation rates of each class of fixed assets are as follows:

	Estimated useful life	*Estimated net residual value rate*	*Annual depreciation rate*
Properties and buildings	10 - 28 years	0.00% - 3.00%	3.50% - 10.00%
Office equipment and computers	3 - 5 years	-	20.00% - 33.33%
Motor vehicles	6 years	-	16.67%

The fixed assets under operating lease of the Group are aircraft and other flight equipment, vessels and ocean engineering equipment. The estimated useful life of the aircraft and other flight equipment is 20 - 25 years and the estimated net residual values expressed as a percentage of cost are 5% - 15%. The estimated useful life of the vessels is 18 - 25 years and the estimated net residual values expressed as a percentage of cost are 0% - 5%. The estimated useful life of the ocean engineering equipment is 25 years and the estimated net residual values expressed as a percentage of cost are 0%.

When purchasing an aircraft with an existing lease, the Group determines, measures and accounts for the lease premium asset, as well as the maintenance rights asset arising from the existing lease acquired.

Lease premium assets represent the value of acquired leases where the rentals of the lease contracts at the date of acquisition are significantly higher than market level. Lease premium assets are amortized on a straight-line basis over the remaining lease term and are presented in other assets.

Maintenance rights assets represent the fair value of the acquired contractual rights embedded in the lease to receive the aircraft in a higher state of maintenance at the date of acquisition compared to the aircraft's substantial state of maintenance. Amortization of maintenance rights assets is triggered by a maintenance event. Upon the occurrence of a qualified maintenance event, the cost of the portion associated with the maintenance event is capitalized to the cost of the aircraft and depreciated in accordance with the Group's depreciation policy. At the end of the lease, any remaining maintenance rights assets are offset against the maintenance deposit from the lessee or the early termination indemnity and any surplus is recognized as a gain or loss. Maintenance right assets are presented in other assets.

Useful lives, residual values and depreciation methods are reviewed at least at each year-end.

12. Long-term deferred expenses

Expenditure incurred with beneficial period over one year is recognized as long-term deferred expenses. Long-term deferred expenses are stated in the balance sheet at cost less accumulated amortization and impairment losses (see Note III.7(b)). The amortization period of long-term deferred expenses shall be determined according to the shorter of the contract or agreement period and the beneficial period. Long-term prepaid expenses are amortized using the straight-line method over the expected periods.

13. Fair value measurement

Unless otherwise specified, the Group determines fair value measurement as follows:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

14. Employee benefits

(a) Short-term employee benefits

Employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund as well as labour union fee, staff and workers' education fee, measured at the amount incurred or accrued at the applicable benchmarks and rates, are recognized as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(b) Post-employment benefits - defined contribution plans

Pursuant to the relevant laws and regulations of the People's Republic of China, the Group participated in the basic pension insurance and unemployment insurance plans in the social insurance system established and managed by government organizations. The Group makes contributions to basic pension insurance and unemployment insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance and unemployment insurance contributions are recognized as relevant liabilities, with a corresponding charge to the profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

In addition, employees in Chinese Mainland also participate in a defined contribution retirement benefit plan established by the Group (the "Annuity Plan"). The Group and its employees are required to contribute a certain percentage of the employees' previous year basic salaries to the Annuity Plan. The Group pays a fixed contribution into the Annuity Plan and has no obligation to pay further contributions if the Annuity Plan does not hold sufficient assets to pay all employee benefits. The contribution is charged to profit or loss when it is incurred.

15. Income tax

Income tax comprises current and deferred income tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination or items recognized directly in equity (including other comprehensive income).

Current tax is the expected tax payable calculated at the applicable tax rate on taxable income for the year, plus any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset if the Group has a legally enforceable right to set them off and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible tax losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

At the balance sheet date, the Group measures the carrying amount of deferred tax assets and deferred tax liabilities based on the manner in which they are expected to be realized or settled, in accordance with the provisions of enacted tax laws, at the tax rates that are expected to apply in the period in which the assets are recovered or the liabilities are settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of the deferred tax asset to be utilized. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and liabilities are offset if all the following conditions are met:

- the taxable entity has a legally enforceable right to offset current tax liabilities and assets, and;
- they relate to income taxes levied by the same tax authority on either: the same taxable entity; or different taxable entities which intend either to settle the current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

16. Provisions

A provision is recognized for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid-point of that range. In other cases, the best estimate is determined as follows:

(1) Where the contingency involves a single item, the best estimate is the most likely outcome.
(2) Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

17. Revenue recognition

Revenue is the gross inflow of economic benefit arising in the course of the Group's ordinary activities when those inflows result in increases in equity, other than increases relating to contributions from owners.

(a) Interest income

For all financial instruments measured at amortized cost and interest-generating financial instruments classified as financial assets measured at FVTOCI, interest income is recorded at the effective interest rate, which is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, where appropriate, to the gross carrying amount of the financial asset, or the amortized cost of financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not expected credit losses.

The Group recognizes interest income by applying the effective interest rate to the book value of financial assets, except for:

- For purchased or originated credit-impaired financial assets, whose interest income is calculated, since initial recognition, by applying the credit adjusted effective interest rate to their amortized cost; and
- Financial assets that are not purchased or originated credit-impaired but have subsequently become credit-impaired, whose interest income is calculated by applying the effective interest rate to their amortized cost (i.e. book value net of the provision of ECL). If, in a subsequent period, the financial assets improve their qualities so that they are no longer credit-impaired and the improvement in credit quality is related objectively to a certain event occurring after the application of the above-mentioned rules, then the interest income is calculated based on their book value.

The Group recognizes interest income under finance leases over the lease term, based on a pattern reflecting a constant periodic rate. Variable lease payments not included in the measurement of net investment in the lease are recognized in profit or loss in the period in which they are incurred.

(b) Operating lease income

Please refer to Note III.8(b).

(c) Fee and commission income

The Group earns fee and commission income from a diverse range of services it provides to its customers. The fee and commission income recognized by the Group reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to customers, and income is recognized when its performance obligation in contracts is satisfied.

(1) The Group recognizes revenue over the service period by measuring the progress towards the complete satisfaction of a performance obligation, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The customer controls the service provided by the Group in the course of performance; or
- The services provided by the Group in the performance process are irreplaceable, and the Group has an enforceable right to payment for performance completed to date.

(2) In other cases, the Group recognizes revenue at a point in time at which a customer obtains control of the promised services.

(d) Other income

Other income is recognized on an accrual basis.

18. Goverment grants

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contributions from the government as an investor in the Group.

A government grant is recognized when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income and recognized in other income or non-operating income over the periods in which the related costs or losses are recognized. Otherwise, the grant is included in other income or non-operating income directly.

19. Borrowing costs

Borrowing costs incurred directly attributable to the acquisition and construction of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as interest expenses when incurred.

During the capitalization period, the amount of interest (including amortization of any discount or premium on borrowing) to be capitalized in each accounting period is determined as follows:

- Where funds are borrowed specifically for the acquisition and construction of a qualifying asset, the amount of interest to be capitalized is the interest expense calculated using effective interest rates during the period less any interest income earned from depositing the borrowed funds or any investment income on the temporary investment of those funds before being used on the asset.
- To the extent that the Group borrows funds generally and uses them for the acquisition and construction of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditure on the asset over the above amounts of specific borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

The capitalization period is the period from the date of commencement of capitalization of borrowing costs to the date of cessation of capitalization, excluding any period over which capitalization is suspended. Capitalization of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities of acquisition and construction that are necessary to prepare the asset for its intended use or sale are in progress, and ceases when the assets become ready for their intended use or sale. Capitalization of borrowing costs is suspended when the acquisition and construction activities are interrupted abnormally for a period of more than three months.

20. Profit distributions

Distributions of profit proposed in the profit distribution plan to be approved after the balance sheet date are not recognized as a liability at the balance sheet date but are disclosed in the notes separately.

21. Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organization, management requirements and internal reporting system after taking the materiality principle into account. Two or more operating segments may be aggregated into a single operating segment if the segments have the similar economic characteristics and are same or similar in respect of the nature of each segment's products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. The Group determines reporting segments on an operating segment basis, taking into account the materiality principle.

Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

22. Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

23. Taxation

(a) The main taxes applicable to the Group in relation to the rendering of services include enterprise income tax, value added tax (VAT), urban maintenance and construction tax (UMCT), education surcharges and etc. The major taxes of the Group's business in the PRC and the relevant tax rates are set out below:

Category	*Tax basis and applicable rate*
Enterprise income tax	25% of taxable income
VAT	The difference between the output tax calculated at the applicable tax rate of 3% - 13% on taxable income under the tax law and the input tax allowed for deduction in the current period
UMCR	5% - 7% of VAT payable
Education surcharges	3% of VAT payable
Local education surcharges	2% of VAT payable

(b) The income tax in the overseas places where the Group mainly operates is paid at 12.5% and 16.5% of taxable income. The Group's other overseas taxes are paid in accordance with local tax laws and applicable tax rates.

24. Significant accounting estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Judgments about key assumptions and uncertainties involved in estimates are reviewed on an ongoing basis. The impact of changes in accounting estimates shall be recognized in the period in which the changes occur and in any future periods affected.

(a) Measurement of expected credit loss

The measurement of ECLs for financial assets measured at amortized cost and investments in debt instruments at FVTOCI and loan commitments and financial guarantee contracts, is an area that requires the use of complex models and a large number of assumptions about future macro-economic conditions and credit behavior (the likelihood of customers defaulting and the resulting losses). Refer to Note VI.1 for the inputs, assumptions and estimation techniques used in measuring ECL.

(b) Impairment of non-financial assets

As described in Note III.7(b), assets such as fixed assets, right-of-use assets, intangible assets, long-term deferred expenses and construction in progress are reviewed at each balance sheet date to determine whether the carrying amount exceeds the recoverable amount of the assets. If any such indication exists, an impairment loss is recognized.

The recoverable amount of an asset (asset group) is the greater of its fair value less costs to sell and its present value of expected future cash flows. In assessing the present value of expected future cash flows, significant judgments are exercised over the asset's cash inflow, selling price, related operating expenses and discount rate to calculate the present value. All relevant materials which can be obtained are used for estimation of the recoverable amount, including the estimation of cash inflow, selling price and related operating expenses based on reasonable and supportable assumptions.

(c) Depreciation of fixed assets

As described in Note III.11, fixed assets are depreciated on a straight-line basis over their useful lives after taking into account their residual value. The useful lives of the fixed assets are regularly reviewed to determine the depreciation costs charged in each reporting period. The useful lives of the assets are determined based on historical experience of similar assets and the estimated technical changes. If there have been significant changes in the factors used to determine the depreciation, the rate of depreciation is revised prospectively.

(d) Fair value of financial instruments

The Group has adopted valuation models to calculate the fair value for the financial instruments without active market price, including discounted cash flow model and market comparison approach, etc. To the extent practicable, valuation techniques make maximum use of market inputs. However, where market inputs are not available, management needs to make estimates on such unobservable market inputs. Assumptions and valuation techniques used in the fair value valuation of financial instruments are set out in Note VIII, Fair Value.

(e) Classification of leases

The Group determines at lease inception whether each lease is a finance lease or an operating lease.

Finance lease refers to a lease that substantially transfers almost all the risks and rewards related to the ownership of leased assets. The ownership may or may not be transferred finally. A lease in one or more of the following circumstances is usually classified as a finance lease:

- The ownership of the leased asset is transferred to the lessee upon lease term expiration.
- The lessee has the purchase option and the purchase price is expected to be much lower than the fair value of the leased assets when the option is exercised, so it can be reasonably certain at the lease commencement date that the lessee will exercise this option;
- The ownership of the leased asset is not transferred, but the lease term accounts for a large proportion of the useful life of the leased asset;

- The present value of the lessee's minimum lease payments at the lease commencement is almost equal to the fair value of the leased asset at the lease commencement, or the present value of the lessor's minimum lease receipts at the lease commencement is almost equal to the fair value of the leased asset at the lease commencement; of the lessee's minimum lease payments at the lease commencement is almost equal to the fair value of the leased asset at the lease commencement;
- The leased asset is of a special nature and can only be used by the lessee without major transformation.

Leases other than finance leases are operating leases.

(f) Income tax

Determining income tax provisions requires the Group to estimate the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions in accordance with prevailing tax regulations and makes tax provisions accordingly. In addition, deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. This requires significant judgements on the tax treatments of certain transactions and also significant estimates on the probability that adequate future taxable profits will be available for the deferred income tax assets to be recovered.

25. Scope of consolidated financial statements

In 2025, the basic situation of business combination under the common control of the Group is as follows:

In 2025, the Group signed a Share Purchase Agreement with ICBC International Investment Management Limited and purchased 100% of the shares in ICBC International Leasing Company Limited for US $1.

Judgment basis for business combination under the common control: before and after the business combination, ICBC International Leasing Company Limited and the Group are under the final control of ICBC.

In preparing the consolidated financial statements for fiscal year 2025 and comparative periods, it will be deemed to have been included in the Company’s scope of consolidation when the ultimate controlling party of the Company began to exercise control over them, and the opening balance of the consolidated fiancial statements as well as the comparative statements of the prior periods are adjusted accordingly.

Refer to Note IV.8 “Long-term equity investments and scope of consolidated financial statements” for the subsidiaries included in the consolidated financial statements as at 31 December 2025.

IV. NOTES TO THE FINANCIAL STATEMENTS

1. Deposits with the central bank

	The Group and the Company	
	31 December 2025	*31 December 2024*
Mandatory deposit reserves with the PBOC (1)	253	19,614
Excess deposit reserves with the PBOC (2)	1,000,060	5,557
Total	1,000,313	25,171

(1) In accordance with the People's Bank of China ("PBOC")'s Circular on Including Security Deposit in the Scope of Deposit Reserve (Yin Fa [2011] No.209), the Company set aside deposit reserve for security deposit. The statutory deposit reserve cannot be used for the Company's day-to-day operations. As at 31 December 2025, the Company applied 0% for payment of RMB deposit reserve and 4% for payment of USD deposit reserve (31 December 2024: 5% for payment of RMB deposit reserve and 4% for payment of USD deposit reserve).

(2) Excess deposit reserves with the PBOC include funds for the purpose of cash settlement and other kinds of unrestricted deposits.

2. Cash and bank balances

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Bank deposits	41,429,448	41,248,373	3,066,430	2,838,376
Interest receivable	502,843	235,022	-	-
Less: Allowance for impairment losses	(37,695)	(12,057)	(407)	(318)
Total	41,894,596	41,471,338	3,066,023	2,838,058

As at 31 December 2025, the balance of the Group's fixed deposits pledged for borrowed funds was RMB 21,548,862 thousand (31 December 2024: RMB 17,594,800 thousand).

3. Derivative financial assets

The Group

	31 December 2025		
	Nominal amount	*Assets*	*Liabilities*
Interest rate swap	-	-	-

	31 December 2024		
	Nominal amount	*Assets*	*Liabilities*
Interest rate swap	2,156,520	29,867	-

4. Lease receivables

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Finance lease receivables (1)	29,828,994	36,521,743	7,797,712	12,326,390
Sale-and-leaseback receivables (2)	136,492,451	132,415,172	81,194,238	75,573,094
Less: Allowance for impairment losses (4)	(4,245,924)	(3,792,047)	(2,534,476)	(2,695,038)
Sub-total	162,075,521	165,144,868	86,457,474	85,204,446
Operating lease receivables (3)	3,133,488	4,568,514	47,743	139
Less: Allowance for impairment losses (4)	(1,734,624)	(2,993,461)	(1,430)	-
Sub-total	1,398,864	1,575,053	46,313	139
Total	163,474,385	166,719,921	86,503,787	85,204,585

(1) The minimum finance lease receipts to be received by the Group and the Company under contractual agreements for future accounting years are as follows:

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Within 1 year (inclusive)	4,835,978	7,047,742	1,367,483	2,907,953
1 to 2 years (inclusive)	4,987,409	8,206,742	1,694,478	4,140,036
2 to 3 years (inclusive)	4,231,786	5,295,135	1,265,805	2,018,123
3 to 4 years (inclusive)	2,981,409	3,952,110	541,755	1,138,943
4 to 5 years (inclusive)	5,244,509	2,563,526	414,025	401,967
Over 5 years	14,130,274	17,694,995	3,177,111	2,817,297
Sub-total	36,411,365	44,760,250	8,460,657	13,424,319
Less: Unrealized finance income	(6,582,371)	(8,238,507)	(662,945)	(1,097,929)
Total	29,828,994	36,521,743	7,797,712	12,326,390

(2) The minimum sale-and-leaseback receipts to be received by the Group and the Company under contractual agreements for future accounting years are as follows:

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Within 1 year (inclusive)	28,816,922	26,297,080	18,563,822	18,383,822
1 to 2 years (inclusive)	24,700,706	30,400,990	15,861,342	19,451,552
2 to 3 years (inclusive)	22,570,981	20,748,446	11,770,372	12,110,290
3 to 4 years (inclusive)	19,629,090	19,983,741	11,978,440	8,687,441
4 to 5 years (inclusive)	16,018,546	15,337,392	7,987,642	6,892,672
Over 5 years	46,830,878	45,777,147	23,456,791	18,905,329
Sub-total	158,567,123	158,544,796	89,618,409	84,431,106
Less: Unrealized finance income	(22,074,672)	(26,129,624)	(8,424,171)	(8,858,012)
Total	136,492,451	132,415,172	81,194,238	75,573,094

(3) As at 31 December 2025 and 31 December 2024, the undiscounted lease receivables by the Group and the Company in future periods under non-cancellable operating leases with its lessee are as follows:

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Within 1 year (inclusive)	15,939,343	17,905,047	265,842	10,804
1 to 2 years (inclusive)	15,620,069	16,042,328	262,147	10,734
2 to 3 years (inclusive)	13,615,047	14,184,213	258,513	10,665
3 to 4 years (inclusive)	12,544,614	12,844,698	254,907	10,595
4 to 5 years (inclusive)	10,670,026	11,872,197	251,303	10,497
Over 5 years	40,295,317	47,567,702	2,263,563	88,685
Total	108,684,416	120,416,185	3,556,275	141,980

(4) The movements of allowance for impairment losses are set out as below:

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2025	1,930,349	774,984	4,080,175	6,785,508
Transfer:				
- to Stage 1	111,853	(111,853)	-	-
- to Stage 2	(118,554)	150,315	(31,761)	-
- to Stage 3	-	(9,487)	9,487	-
(Reversal)/addition during the year	(249,658)	540,470	542,761	833,573
Written-off and transferred out during the year	-	-	(1,703,890)	(1,703,890)
Recoveries of previously written-off	-	-	139,047	139,047
Others	(9,289)	(14,841)	(49,560)	(73,690)
Balance at 31 December 2025	1,664,701	1,329,588	2,986,259	5,980,548

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	2,188,265	1,403,185	3,390,534	6,981,984
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	-	232,536	(232,536)	-
- to Stage 3	-	(7,196)	7,196	-
(Reversal)/addition during the year	(269,878)	(859,401)	1,040,663	(88,616)
Written-off and transferred out during the year	-	-	(165,090)	(165,090)
Recoveries of previously written-off	-	-	2,651	2,651
Others	11,962	5,860	36,757	54,579
Balance at 31 December 2024	1,930,349	774,984	4,080,175	6,785,508

	The Company			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2025	1,008,476	348,599	1,337,963	2,695,038
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	-	-	-	-
- to Stage 3	-	(6,804)	6,804	-
(Reversal)/addition during the year	(84,453)	(118,846)	46,475	(156,824)
Written-off and transferred out during the year	-	-	(141,355)	(141,355)
Recoveries of previously written-off	-	-	139,047	139,047
Balance at 31 December 2025	924,023	222,949	1,388,934	2,535,906

	The Company			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	1,085,894	991,911	1,171,449	3,249,254
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	-	-	-	-
- to Stage 3	-	-	-	-
(Reversal)/addition during the year	(77,418)	(643,312)	328,953	(391,777)
Written-off and transferred out during the year	-	-	(165,090)	(165,090)
Recoveries of previously written-off	-	-	2,651	2,651
Balance at 31 December 2024	1,008,476	348,599	1,337,963	2,695,038

(5) As at 31 December 2025, lease receivables with factoring contract with recourse of the Group amounted to RMB 9,447,226 thousand (31 December 2024: RMB 18,822,512 thousand).

5. Other debt investments

(1) Bond investments measured at FVTOCI by the type of issuers are as follows:

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Goverment and the central bank	2,801,128	2,266,808	2,801,128	2,266,808
Enterprises	816,648	623,390	-	-
Total	3,617,776	2,890,198	2,801,128	2,266,808

As at 31 December 2025, the Group and the Company had bond investments pledged for transactions under repurchase agreements amounting to RMB 2,648,000 thousand (31 December 2024: RMB 2,200,000 thousand).

(2) Other debt investments presented in stages are as follows:

The Group

	31 December 2025			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Other debt investments	2,825,042	926,216	-	3,751,258
Less: Allowance for impairment losses	(563)	(132,919)	-	(133,482)
Net book value	2,824,479	793,297	-	3,617,776

	31 December 2024			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Other debt investments	2,293,416	698,070	-	2,991,486
Less: Allowance for impairment losses	(794)	(100,494)	-	(101,288)
Net book value	2,292,622	597,576	-	2,890,198

(3) The changes in the impairment provision are as follows:

Allowance for impairment losses on bond investments measured at FVTOCI is recognized in other comprehensive income without decreasing the carrying amount of financial investments presented in the consolidated statement of financial position, and any impairment gain or loss is recognized in the profit or loss. Movements of the allowance for impairment losses on bond investments measured at FVTOCI are as follows:

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2025	794	100,494	-	101,288
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	-	-	-	-
- to Stage 3	-	-	-	-
(Reversal)/addition during the year	(215)	35,050	-	34,835
Others	(16)	(2,625)	-	(2,641)
Balance at 31 December 2025	563	132,919	-	133,482

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	37,345	-	-	37,345
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	(37,345)	37,345	-	-
- to Stage 3	-	-	-	-
Addition during the year	788	62,130	-	62,918
Others	6	1,019	-	1,025
Balance at 31 December 2024	794	100,494	-	101,288

6. Investments in other equity instruments

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Investments in equity instruments measured at FVTOCI	180,967	239,832	41,541	42,107

The Group designated non-held-for-trading equity investments as investments in equity instruments measured at FVTOCI. During 2025, the Group disposed of the equity investments amounting to RMB 115,591 thousand (2024: Nil), with accumulated gains on transfer from other comprehensive income to retained earnings amounting to RMB 83,299 thousand (2024: Nil).

7. Financial assets held for trading

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial assets at fair value through profit or loss				
Including: Investment in debt instruments	657,192	838,372	-	-
Total	657,192	838,372	-	-

8. Long-term equity investments and scope of consolidated financial statements

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Investments in subsidiaries (1)	-	-	9,490,025	9,485,025
Investments in joint ventures (2)	4,561	54,685	-	-
Investments in associates (2)	50,880	29,521	-	-
Total	55,441	84,206	9,490,025	9,485,025

(1) As at 31 December 2025, the primary subsidiaries included in the scope of consolidation are as follows:

				The Company	
Name of investee	*Place of registration*	*Registered capital*	*Nature of business*	*% of equity interest held by the Company*	*% of voting right held by the Company*
ICBC Aviation Leasing Company Limited	Hong Kong	USD 1.2 billion	Finance lease	100%	100%
ICBC Maritime Financial Leasing Company Limited	Hong Kong	USD 900 million	Finance lease	100%	100%
ICBC Financial Leasing (Beijing) Co., Ltd.	Beijing	RMB 2 million	Finance lease	100%	100%
ICBC Financial Leasing (Hainan) Co., Ltd.	Haikou	RMB 1 million	Finance lease	100%	100%
ICBC Aviation (Zhoushan) Aircraft Leasing Co., Ltd.	Zhoushan	RMB 0.1 million	Finance lease	100%	100%
Tianyue (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshang (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianrong (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlang (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiankang (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjiao (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianao (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianbing (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianchen (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianchi (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianchuan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiandan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianfeng (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangang (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhu (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhui (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianji (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjin (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjing (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianjiu (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjun (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjun (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlian (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianliang (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianling (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlong (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlu (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmao (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmeng (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmiao (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmin (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianming (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmu (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiannan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiannuo (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianqi (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianqian (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianqing (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianquan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshuang (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshun (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiansong (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianwu (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxi (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxiao (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxin (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxu (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxuan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxuan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyang (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianye (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianyi (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyi (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%

				The Company	
Name of investee	Place of registration	Registered capital	Nature of business	% of equity interest held by the Company	% of voting right held by the Company
Tianyong (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyu (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianyuan (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyun (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianzhen (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.1 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.1 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.1 (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.2 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.2 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.2 (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.3 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.3 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.3 (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.4 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.4 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.4 (Xiamen) Aircraft Leasing Co., Ltd.	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.5 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.5 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.6 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.6 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.7 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.7 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.8 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.8 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.9 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.10 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.11 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.11 (Guangzhou) Aircraft Leasing Co., Ltd.	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.56 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.57 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.58 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.59 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.60 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.61 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.62 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.65 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.66 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.67 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.68 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.69 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.70 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.71 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.72 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.74 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.88 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.90 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.91 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.92 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.94 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.95 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.96 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.97 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.98 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.99 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.100 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.101 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.102 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.103 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.105 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.106 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.107 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.108 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.109 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.120 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.121 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%

				The Company	
Name of investee	Place of registration	Registered capital	Nature of business	% of equity interest held by the Company	% of voting right held by the Company
Tiangao No.130 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.1 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.2 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.3 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.4 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.5 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.6 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.8 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.9 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.10 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.11 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.12 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.13 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.14 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.15 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.16 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.17 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.18 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.19 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.30 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.31 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.32 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.33 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.34 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.35 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.36 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.37 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.38 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.39 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.40 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.43 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.44 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.45 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.46 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.47 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.48 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.49 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.50 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.51 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.52 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.54 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.55 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Shenzhen Qianhai Tiangao No.1 Aircraft Leasing Co., Ltd.	Shenzhen	RMB 0.1 million	Finance lease	100%	100%
Jingkai Tiangao No.1 (Tianjin) Aircraft Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haiyin (Yangpu) Leasing Co., Ltd.	Danzhou	RMB 0.1 million	Finance lease	100%	100%
Haifa (Yangpu) Leasing Co., Ltd.	Danzhou	RMB 0.1 million	Finance lease	100%	100%
Haifeng No.1 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.1 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.2 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.3 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.4 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.5 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.6 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.7 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.8 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.9 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.10 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.11 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.12 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.13 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.14 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.15 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.16 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.17 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.18 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%

Name of investee	Place of registration	Registered capital	Nature of business	The Company: % of equity interest held by the Company	The Company: % of voting right held by the Company
Haijin No.19 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.21 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.22 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.23 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.24 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.25 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.26 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.27 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.28 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.29 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.30 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.31 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.32 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.33 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.34 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.35 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.36 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.38 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.39 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.40 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.41 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.42 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.43 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.44 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.45 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.50 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.51 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.60 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.62 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.63 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.65 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.66 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.71 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.72 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haikuo Huyi (Shanghai) Ship Leasing Co., Ltd.	Shanghai	RMB 0.1 million	Finance lease	100%	100%
Haikuo Huer (Shanghai) Ship Leasing Co., Ltd.	Shanghai	RMB 0.1 million	Finance lease	100%	100%
Haijiang (Tianjin) Ship Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijiang No.2 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haitao (Tianjin) Ship Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haishun No.1 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Gongyinwuju (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Wuju No.1 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.4 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.4 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.5 (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Wuju No.9 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.11 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.12 (Beijing) Finance Leasing Co., Ltd.	Beijing	RMB 0.1 million	Finance lease	100%	100%
Yunlong (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Yunde (Tianjin) Leasing Co., Ltd.	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Fenghuang No.1 (Chengdu) Machinery and Equipment Leasing Co., Ltd.	Chengdu	RMB 0.1 million	Finance lease	100%	100%
Hai Jiao 1411 Limited	Marshall Islands	USD 1	Finance lease	100%	100%
Hai Jiao 1412 Limited	Marshall Islands	USD 1	Finance lease	100%	100%

As at 31 December 2025, the paid-in capital of the above subsidiaries amounted to RMB 9,490,025 thousand (31 December 2024: RMB 9,485,025 thousand).

(2) As at 31 December 2025, the associates and joint ventures held by the Group are as follows:

Name of investee	Associated/ Joint	Place of registration	Registered capital	Nature of business	Shareholding ratio of the Group 31 December 2025	Shareholding ratio of the Group 31 December 2024
Mount Kowloon (Holdings) Limited	Joint	Hong Kong	HKD 1	Ship charter	50%	50%
Silk LNG Transport No.1 Pte Ltd.	Associated	Singapore	USD 50,000	Ship charter	30%	30%
Silk LNG Transport No.2 Pte Ltd.	Associated	Singapore	USD 50,000	Ship charter	30%	30%
Silk LNG Transport No.3 Pte Ltd.	Associated	Singapore	USD 50,000	Ship charter	30%	30%

9. Investment properties

The Group

	The Group 2025	The Group 2024
Fair value as at 1 January	4,148,659	4,067,389
- change in fair value	(89,518)	(9,176)
- others	(101,231)	90,446
Fair value as at 31 December	3,957,910	4,148,659

Investment properties of the Group are real estate buildings located in Macao, where there is an active real estate market. The Group is able to obtain market prices and related information of similar properties, and therefore makes estimations about the fair value of the investment properties. The fair value of the Group's investment properties has been assessed by an external appraiser.

As at 31 December 2025 and 31 December 2024, fair value hierarchy of the Group's investment properties are categorised into Level 3.

10. Prepayments

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Prepayments for finance lease assets	12,546,858	6,734,119	9,435,016	3,950,373
Less: Allowance for impairment losses on prepayments for finance lease assets	(163,710)	(136,083)	(118,397)	(44,302)
Prepayments for operating lease assets	61,983	51,754	14,848	2,986
Prepayments for vessel management fee	1,109,784	1,220,867	-	-
Others	-	453,339	-	-
Total	13,554,915	8,323,996	9,331,467	3,909,057

11. Fixed assets

The Group

	Office equipment and computers	Motor vehicles	Properties and buildings	Fixed assets under operating lease	Total
Cost					
At 1 January 2024	42,653	4,700	987,552	209,410,349	210,445,254
Additions during the year	511	-	-	5,524,011	5,524,522
Transfers from construction in progress	-	-	-	10,431,272	10,431,272
Transfers from right-of-use assets under operating lease	-	-	-	2,346,755	2,346,755
Disposals/written-off during the year	-	-	-	(12,081,860)	(12,081,860)
Others	78	-	-	2,991,961	2,992,039
At 31 December 2024	43,242	4,700	987,552	218,622,488	219,657,982
Additions during the year	627	-	-	10,956,491	10,957,118
Transfers from construction in progress	-	-	-	7,615,540	7,615,540
Transfers from right-of-use assets under operating lease	-	-	-	1,242,045	1,242,045
Disposals/written-off during the year	(3,704)	-	-	(15,547,414)	(15,551,118)
Others	(124)	-	-	(4,743,420)	(4,743,544)
At 31 December 2025	40,041	4,700	987,552	218,145,730	219,178,023

	Office equipment and computers	*Motor vehicles*	*Properties and buildings*	*Fixed assets under operating lease*	*Total*
Accumulated depreciation					
At 1 January 2024	(31,909)	(4,514)	(140,030)	(45,902,127)	(46,078,580)
Charge for the year	(5,153)	(97)	(36,058)	(7,104,149)	(7,145,457)
Transfers from right-of-use assets under operating lease	-	-	-	(556,317)	(556,317)
Disposals/written-off during the year	-	-	-	2,977,578	2,977,578
Others	(64)	-	-	(878,268)	(878,332)
At 31 December 2024	(37,126)	(4,611)	(176,088)	(51,463,283)	(51,681,108)
Charge for the year	(3,599)	(89)	(36,058)	(7,254,834)	(7,294,580)
Transfers from right-of-use assets under operating lease	-	-	-	(430,724)	(430,724)
Disposals/written-off during the year	3,704	-	-	4,339,167	4,342,871
Others	115	-	-	1,134,493	1,134,608
At 31 December 2025	(36,906)	(4,700)	(212,146)	(53,675,181)	(53,928,933)
Allowance for impairment losses					
At 1 January 2024	-	-	-	(12,412,530)	(12,412,530)
Charge for the year	-	-	-	(794,521)	(794,521)
Transfers from right-of-use assets under operating lease	-	-	-	(24,192)	(24,192)
Disposals/written-off during the year	-	-	-	758,525	758,525
Others	-	-	-	(251,449)	(251,449)
At 31 December 2024	-	-	-	(12,724,167)	(12,724,167)
Charge for the year	-	-	-	(1,042,362)	(1,042,362)
Transfers from right-of-use assets under operating lease	-	-	-	(326,235)	(326,235)
Disposals/written-off during the year	-	-	-	2,638,179	2,638,179
Others	-	-	-	213,876	213,876
At 31 December 2025	-	-	-	(11,240,709)	(11,240,709)
Net book value					
At 31 December 2024	6,116	89	811,464	154,435,038	155,252,707
At 31 December 2025	3,135	-	775,406	153,229,840	154,008,381

As at 31 December 2025 and 31 December 2024, the Group's and the Company's fixed assets under operating lease were aircraft and other flight equipment, vessels, photovoltaic equipment assets and ocean engineering equipment assets.

As at 31 December 2025, net fixed assets under operating lease which had been mortgaged as collateral for the Group's borrowings amounted to RMB 17,685,892 thousand (31 December 2024: RMB 37,628,471 thousand).

The Company

	Office equipment and computers	*Motor vehicles*	*Properties and buildings*	*Fixed assets under operating lease*	*Total*
Cost					
At 1 January 2024	37,383	4,700	987,552	-	1,029,635
Additions during the year	274	-	-	108,586	108,860
At 31 December 2024	37,657	4,700	987,552	108,586	1,138,495
Additions during the year	490	-	-	2,859,235	2,859,725
Disposals/written-off during the year	(3,704)	-	-	(148,923)	(152,627)
At 31 December 2025	34,443	4,700	987,552	2,818,898	3,845,593
Accumulated depreciation					
At 1 January 2024	(27,904)	(4,514)	(140,030)	-	(172,448)
Charge for the year	(4,253)	(97)	(36,058)	(1,574)	(41,982)
At 31 December 2024	(32,157)	(4,611)	(176,088)	(1,574)	(214,430)
Charge for the year	(3,275)	(89)	(36,058)	(54,186)	(93,608)
Disposals/written-off during the year	3,704	-	-	2,874	6,578
At 31 December 2025	(31,728)	(4,700)	(212,146)	(52,886)	(301,460)
Net book value					
At 31 December 2024	5,500	89	811,464	107,012	924,065
At 31 December 2025	2,715	-	775,406	2,766,012	3,544,133

12. Construction in progress

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Opening balance	13,539,611	17,663,937	1,953,780	3,580,561
Additions during the year	8,586,986	6,170,072	(10,988)	88,283
Transferred:	(7,615,540)	(10,431,272)	(141,727)	(1,648,202)
- to fixed assets	(7,615,540)	(10,431,272)	-	-
- to receivables due to assets transfer transactions	-	-	(141,727)	(1,648,202)
Other Changes	(246,339)	136,874	10,894	(66,862)
Closing balance	14,264,718	13,539,611	1,811,959	1,953,780

As at 31 December 2025, the Group's and the Company's construction in progress consists of aircraft and vessels under construction.

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Borrowing costs capitalized	574,343	713,097	37,724	52,004

The interest rate per annum, at which the borrowing costs were capitalized for the current year by the Group and the Company, was 1.84% - 4.10% (2024: 2.12% - 5.35%).

13. Right-of-use assets

The Group

	Leased properties and buildings	*Right-of-use assets under operating lease*	*Total*
Cost			
At 1 January 2024	168,033	12,891,230	13,059,263
Additions during the year	8,260	-	8,260
Transfer to fixed assets under operating leases	-	(2,346,755)	(2,346,755)
Decreases during the year	(1,656)	-	(1,656)
Others	1,760	192,385	194,145
At 31 December 2024	176,397	10,736,860	10,913,257
Additions during the year	28,356	-	28,356
Transfer to fixed assets under operating leases	-	(1,242,045)	(1,242,045)
Decreases during the year	(66,118)	-	(66,118)
Others	(2,621)	(208,512)	(211,133)
At 31 December 2025	136,014	9,286,303	9,422,317
Accumulated depreciation			
At 1 January 2024	(83,137)	(2,556,448)	(2,639,585)
Charge for the year	(17,403)	(409,711)	(427,114)
Transfer to fixed assets under operating leases	-	556,317	556,317
Decreases during the year	1,644	-	1,644
Others	(878)	(41,187)	(42,065)
At 31 December 2024	(99,774)	(2,451,029)	(2,550,803)
Charge for the year	(16,898)	(346,436)	(363,334)
Transfer to fixed assets under operating leases	-	430,724	430,724
Decreases during the year	59,910	-	59,910
Others	1,538	28,435	29,973
At 31 December 2025	(55,224)	(2,338,306)	(2,393,530)
Allowance for impairment losses			
At 1 January 2024	-	(473,725)	(473,725)
Transfer to fixed assets under operating leases	-	24,192	24,192
Others	-	(7,071)	(7,071)
At 31 December 2024	-	(456,604)	(456,604)
Transfer to fixed assets under operating leases	-	326,235	326,235
Others	-	10,138	10,138
At 31 December 2025	-	(120,231)	(120,231)
Net book value			
At 31 December 2024	76,623	7,829,227	7,905,850
At 31 December 2025	80,790	6,827,766	6,908,556

The Company

	Leased properties and buildings
Cost	
At 1 January 2024	50,118
Additions during the year	8,260
At 31 December 2024	58,378
Additions during the year	399
Decreases during the year	(11,394)
At 31 December 2025	47,383
Accumulated depreciation	
At 1 January 2024	(28,850)
Charge for the year	(6,622)
At 31 December 2024	(35,472)
Charge for the year	(7,115)
Decreases during the year	9,006
At 31 December 2025	(33,581)
Net book value	
At 31 December 2024	22,906
At 31 December 2025	13,802

14. Deferred tax assets and deferred tax liabilities

The Group

	31 December 2025		*31 December 2024*	
Deferred tax assets	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*
Allowance for impairment losses (1)	712,698	2,850,792	696,579	2,786,316
Employee benefits payable	71,562	286,249	61,429	245,719
Changes in fair value of other debt investments	(5,474)	(21,895)	(17,279)	(69,116)
Changes in fair value of investments in other equity instruments	4,804	19,217	4,663	18,652
Others	23,068	92,272	20,655	82,616
Total	806,658	3,226,635	766,047	3,064,187

	31 December 2025		*31 December 2024*	
Deferred tax liabilities	*Deferred tax liabilities*	*Taxable temporary differences*	*Deferred tax liabilities*	*Taxable temporary differences*
Depreciation of fixed assets	2,177,404	8,709,616	2,186,964	8,747,856
Unrealized losses arising from intra-group transactions	1,046	8,368	371	2,968
Total	2,178,450	8,717,984	2,187,335	8,750,824

	2025			
Deferred tax assets	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Allowance for impairment losses (1)	696,579	16,119	-	712,698
Employee benefits payable	61,429	10,133	-	71,562
Changes in fair value of other debt investments	(17,279)	-	11,805	(5,474)
Changes in fair value of investments in other equity instruments	4,663	-	141	4,804
Others	20,655	2,470	(57)	23,068
Total	766,047	28,722	11,889	806,658

	2025			
Deferred tax liabilities	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Depreciation of fixed assets	2,186,964	36,466	(46,026)	2,177,404
Unrealized losses arising from intra-group transactions	371	692	(17)	1,046
Total	2,187,335	37,158	(46,043)	2,178,450

	2024			
Deferred tax assets	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Allowance for impairment losses (1)	761,462	(64,883)	-	696,579
Employee benefits payable	54,881	6,548	-	61,429
Changes in fair value of other debt investments	(9,823)	-	(7,456)	(17,279)
Changes in fair value of investments in other equity instruments	5,441	-	(778)	4,663
Others	20,381	274	-	20,655
Total	832,342	(58,061)	(8,234)	766,047

	2024			
Deferred tax liabilities	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Depreciation of fixed assets	2,247,375	(97,322)	36,911	2,186,964
Unrealized losses arising from intra-group transactions	5,900	(5,234)	(295)	371
Total	2,253,275	(102,556)	36,616	2,187,335

(1) Allowance for impaiment losses: includes provision for impaiment of finance lease receivables, provision for impairment of sale and leaseback receivables and allowance for impairment losses on prepayments for finance lease assets.

The Company

	31 December 2025		*31 December 2024*	
Deferred tax assets	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*
Allowance for impairment losses (1)	617,071	2,468,285	619,754	2,479,016
Employee benefits payable	71,562	286,249	61,429	245,719
Changes in fair value of other debt investments	(5,474)	(21,895)	(17,279)	(69,116)
Changes in fair value of investments in other equity instruments	4,804	19,217	4,663	18,652
Others	20,461	81,844	17,991	71,964
Total	708,424	2,833,700	686,558	2,746,235

	2025			
Deferred tax assets	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Allowance for impairment losses (1)	619,754	(2,683)	-	617,071
Employee benefits payable	61,429	10,133	-	71,562
Changes in fair value of other debt investments	(17,279)	-	11,805	(5,474)
Changes in fair value of investments in other equity instruments	4,663	-	141	4,804
Others	17,991	2,470	-	20,461
Total	686,558	9,920	11,946	708,424

	2024			
Deferred tax assets	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Allowance for impairment losses (1)	714,776	(95,022)	-	619,754
Employee benefits payable	54,881	6,548	-	61,429
Changes in fair value of other debt investments	(9,823)	-	(7,456)	(17,279)
Changes in fair value of investments in other equity instruments	5,441	-	(778)	4,663
Others	20,381	(2,390)	-	17,991
Total	785,656	(90,864)	(8,234)	686,558

(1) Allowance for impaiment losses: includes provision for impaiment of finance lease receivables, provision for impairment of sale and leaseback receivables and allowance for impairment losses on prepayments for finance lease assets.

15. Other assets

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Deductible input VAT	1,234,811	388,865	967,039	186,654
Long-term deferred expenses	946,733	618,015	1,238	1,675
Maintenance right assets	497,987	509,295	-	-
Long-term receivables	207,426	215,595	-	-
Lease premium assets	177,601	227,633	-	-
Entrusted loans	148,019	84,673	81,977,006	66,137,792
Security deposits	120,581	113,531	108,418	110,594
Receivables due to assets transfer transactions	104,870	-	9,820,634	10,918,246
Intangible assets	59,545	42,572	59,545	42,572
Supplier refunds receivable	4,090	54,264	4,090	54,264
Others	894,111	2,349,169	963,993	2,352,792
Sub-total	4,395,774	4,603,612	93,901,963	79,804,589
Less: Allowance for impairment losses	(334,204)	(157,381)	(25,562)	(10,657)
Total	4,061,570	4,446,231	93,876,401	79,793,932

16. Borrowings

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Analyzed by nature:				
Unsecured loans	259,338,754	260,197,222	144,199,980	131,313,002
Pledged loans	22,799,657	22,034,835	7,134,471	11,042,975
Loans secured by mortgages	7,988,338	14,062,640	-	-
Accrued interest	1,804,497	2,060,521	631,647	611,536
Total	291,931,246	298,355,218	151,966,098	142,967,513
Analyzed by counterparty:				
Domestic financial institutions	207,668,752	189,600,077	150,737,003	142,055,977
Overseas financial institutions	82,457,997	106,694,620	597,448	300,000
Accrued interest	1,804,497	2,060,521	631,647	611,536
Total	291,931,246	298,355,218	151,966,098	142,967,513

The annual interest rate on the above borrowings ranges from 1.49% -5.89% in 2025 (1.74% - 6.07% in 2024).

17. Financial assets sold under repurchase agreements

	The Group and the Company	
	31 December 2025	31 December 2024
Securities sold under repurchase agreements	2,305,446	1,926,491
Accrued interest	26,736	27,317
Total	2,332,182	1,953,808

The details of pledge information of transactions under repurchase agreements are set out in Note IV.5 “Other debt investments”.

18. Advances from customers

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Rental received in advance	1,599,322	1,592,525	52,369	78,944
Others	389,084	520,643	80,390	119,131
Total	1,988,406	2,113,168	132,759	198,075

19. Bills payable

	The Group and the Company	
	31 December 2025	31 December 2024
Bank acceptance	2,626,185	2,155,563

20. Employee benefits payable

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Short-term employee benefits (1)	320,566	280,338	317,333	277,260
Post-employment benefits				
- Defined contribution plans (2)	-	-	-	-
Total	320,566	280,338	317,333	277,260

(1) Short-term employee benefits

	The Group			
	1 January 2025	Accruals	Payments	31 December 2025
Salaries, bonuses, allowances and subsidies	246,876	268,824	(228,323)	287,377
Staff welfare	3,044	39,588	(40,490)	2,142
Social insurance	-	14,512	(14,512)	-
- Medical insurance	-	14,097	(14,097)	-
- Work-related injury insurance	-	415	(415)	-
Housing fund	-	17,274	(17,274)	-
Labour union fee, staff and workers' education fee	30,418	9,519	(8,890)	31,047
Total	280,338	349,717	(309,489)	320,566

	The Group			
	1 January 2024	Accruals	Payments	31 December 2024
Salaries, bonuses, allowances and subsidies	220,662	283,675	(257,461)	246,876
Staff welfare	2,087	30,464	(29,507)	3,044
Social insurance	-	13,799	(13,799)	-
- Medical insurance	-	13,500	(13,500)	-
- Work-related injury insurance	-	299	(299)	-
Housing fund	-	16,188	(16,188)	-
Labour union fee, staff and workers' education fee	28,791	10,004	(8,377)	30,418
Total	251,540	354,130	(325,332)	280,338

	The Company			
	1 January 2025	Accruals	Payments	31 December 2025
Salaries, bonuses, allowances and subsidies	245,719	228,697	(188,167)	286,249
Staff welfare	1,092	29,329	(30,421)	-
Social insurance	-	14,384	(14,384)	-
- Medical insurance	-	14,097	(14,097)	-
- Work-related injury insurance	-	287	(287)	-
Housing fund	-	17,274	(17,274)	-
Labour union fee, staff and workers' education fee	30,449	9,453	(8,818)	31,084
Total	277,260	299,137	(259,064)	317,333

	The Company			
	1 January 2024	Accruals	Payments	31 December 2024
Salaries, bonuses, allowances and subsidies	219,524	250,669	(224,474)	245,719
Staff welfare	13	23,309	(22,230)	1,092
Social insurance	-	13,396	(13,396)	-
- Medical insurance	-	13,128	(13,128)	-
- Work-related injury insurance	-	268	(268)	-
Housing fund	-	16,188	(16,188)	-
Labour union fee, staff and workers' education fee	28,813	9,927	(8,291)	30,449
Total	248,350	313,489	(284,579)	277,260

(2) Post-employment benefits - Defined contribution plans

	The Group			
	1 January 2025	Accruals	Payments	31 December 2025
Basic pension insurance	-	28,749	(28,749)	-
Unemployment insurance	-	717	(717)	-
Enterprise pension	-	22,867	(22,867)	-
Total	-	52,333	(52,333)	-

	The Group			
	1 January 2024	Accruals	Payments	31 December 2024
Basic pension insurance	-	23,871	(23,871)	-
Unemployment insurance	-	669	(669)	-
Enterprise pension	-	20,954	(20,954)	-
Total	-	45,494	(45,494)	-

	The Company			
	1 January 2025	Accruals	Payments	31 December 2025
Basic pension insurance	-	22,953	(22,953)	-
Unemployment insurance	-	717	(717)	-
Enterprise pension	-	22,867	(22,867)	-
Total	-	46,537	(46,537)	-

	The Company			
	1 January 2024	Accruals	Payments	31 December 2024
Basic pension insurance	-	21,408	(21,408)	-
Unemployment insurance	-	669	(669)	-
Enterprise pension	-	17,914	(17,914)	-
Total	-	39,991	(39,991)	-

21. Taxes payable

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Enterprise income tax payable	960,135	1,012,911	-	-
VAT and surcharges payable	125,931	131,950	1,601	1,827
Withholding of individual income tax payable	4,030	6,398	2,087	3,547
Others	5,454	4,573	2,311	298
Total	1,095,550	1,155,832	5,999	5,672

22. Security deposits payable

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Security deposits for leasing business	1,216,996	1,270,340	215,603	269,247

23. Other payables

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Maintenance reserve payable	5,095,827	5,147,296	-	-
Lessor incentives	991,831	988,560	-	-
Leased assets payable	374,790	396,645	18,505	37,178
Others	562,660	1,114,560	158,100	138,077
Total	7,025,108	7,647,061	176,605	175,255

24. Debt securities issued

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Issued debt securities	36,622,260	44,502,929	10,991,477	10,985,345
Accrued interest	397,415	442,045	207,821	208,001
Total	37,019,675	44,944,974	11,199,298	11,193,346

Abbreviation of bonds	*Par value*	*Coupon rate*	*Type of interest rate*	*Issue date*	*Maturity date*	*Term*
24 ICBC Leasing Bond 01	RMB 3 billion	2.70%	Fixed interest rate	2024-01-26	2027-01-26	3 years
24 ICBC Leasing Bond 02	RMB 3 billion	2.52%	Fixed interest rate	2024-03-05	2027-03-05	3 years
24 ICBC Leasing Bond 03	RMB 3 billion	2.30%	Fixed interest rate	2024-04-18	2027-04-18	3 years
24 ICBC Leasing Bond 04	RMB 2 billion	2.12%	Fixed interest rate	2024-06-21	2027-06-21	3 years
US44931DAH61/ USY3R559AL64	USD 300 million	3.625%	Fixed interest rate	2016-05-19	2026-05-19	10 years
XS1716970261	USD 250 million	3.625%	Fixed interest rate	2017-11-15	2027-11-15	10 years
XS2320544419	USD 550 million	1.750%	Fixed interest rate	2021-08-02	2026-08-02	5 years
XS2320543445	USD 250 million	2.650%	Fixed interest rate	2021-08-02	2031-08-02	10 years
XS2393958488	USD 750 million	2.250%	Fixed interest rate	2021-11-02	2026-11-02	5 years
XS2431451041	USD 500 million	2.700%	Fixed interest rate	2022-01-27	2027-01-27	5 years
XS2591956243	USD 180 million	SOFR-3M-LBY-5BD+95BP	Floating interest rate	2023-03-07	2026-03-06	3 years
XS2600998764	USD 50 million	SOFR-3M-LBY-5BD+90BP	Floating interest rate	2023-03-15	2026-03-13	3 years
XS2628700572	USD 39 million	4.630%	Fixed interest rate	2023-05-24	2026-05-14	3 years
XS2779810253	USD 30 million	5.200%	Fixed interest rate	2024-03-11	2027-03-11	3 years
XS2808415520	USD 100 million	5.200%	Fixed interest rate	2024-04-25	2027-04-23	3 years
XS2859256062	USD 20 million	5.100%	Fixed interest rate	2024-07-11	2027-07-09	3 years
XS3098329496	USD 400 million	SOFR-3M-LBY-5BD+63bp	Floating interest rate	2025-07-07	2028-07-07	3 years
XS3137724897	USD 50 million	4.200%	Fixed interest rate	2025-07-29	2028-07-28	3 years
XS3149464565	USD 48 million	4.000%	Fixed interest rate	2025-08-12	2028-08-11	3 years
HK0001221024	USD 150 million	SOFR-3M-LBY-5BD+33BP	Floating interest rate	2025-11-05	2026-11-04	1 years

25. Long-term payables

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Acquisition of fixed assets	46,259	47,309	-	-

26. Lease liabilities

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Lease liabilities	4,057,247	4,928,120	15,333	28,154

The Group's and the Company's lease liabilities are analyzed by maturity date as below:

	The Group		*The Company*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Within 1 year (inclusive)	614,370	858,245	8,423	11,580
1 to 2 years (inclusive)	1,082,307	724,203	5,408	9,094
2 to 3 years (inclusive)	630,670	1,098,877	2,173	6,383
3 to 4 years (inclusive)	1,366,956	669,774	-	2,687
4 to 5 years (inclusive)	615,338	1,400,486	-	-
Over 5 years	386,256	1,023,475	-	-
Sub-total	4,695,897	5,775,060	16,004	29,744
Less: Unrecognized financing expenses	(638,650)	(846,940)	(671)	(1,590)
Carrying amount	4,057,247	4,928,120	15,333	28,154

27. Paid-in capital

The Company

	31 December 2025		*31 December 2024*	
	Amount	*Ratio*	*Amount*	*Ratio*
ICBC	33,000,000	100%	18,000,000	100%

In August 2025, the shareholder of the Company, Industrial and Commercial Bank of China Limited, made a cash contribution of RMB 15 billion to the Company. This capital increase has been verified by BDO China Shu Lun Pan Certified Public Accountants LLP, which issued a capital verification report with the reference number Xin Kuai Shi Bao Zi [2025] No. ZA33152.

28. Surplus reserve

In accordance with the Company Law of the People's Republic of China and the Company's and the domestic subsidiaries' Articles of Association, the Company and the domestic subsidiaries shall appropriate 10% of its annual net profit to its statutory surplus reserve. The statutory surplus reserve can be used to make up for the loss or increase the share capital upon approval. The appropriation may be ceased if the balance of the statutory surplus reserve has reached 50% of the Company's registered capital.

29. General reserve

In accordance with the Administrative Measures for the Provisions of Reserves of Financial Enterprises (No. 20 [2012] of the Ministry of Finance) issued by the MOF, the Company and the subsidiaries set aside a general reserve for possible unrecognized losses on risk assets, as part of the provisions for impaired assets. The general reserve, which is dealt with in profit distribution and forms part of the owners' equity, is no less than 1.5% of the period-end balance of its risk assets.

30. Finance lease income and interest income

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Interest income from sales and leaseback	5,991,789	7,241,763	2,428,041	2,776,634
Finance lease income	1,264,569	1,550,081	397,382	453,504
Interest income from deposits with the central bank and bank balances	791,419	756,794	137,426	41,336
Interest income from other debt investments	114,497	113,418	55,107	51,688
Interest income from entrusted loans	-	71,402	2,142,926	2,138,027
Total	8,162,274	9,733,458	5,160,882	5,461,189

31. Operating lease income

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Operating lease income	17,917,015	17,878,313	112,547	3,144

32. Fee and commission income

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Income from consulting services	202,981	245,506	40,193	7,395

33. Other income

Pursuant to Accounting Standards for Business Enterprises No.16 - Government Grants (2017), a government grant related to the income is included in other income, the government grants incurred this year represent financial support fund for encouraging the leasing industry from Tianjin municipal goverment.

34. Other operating income

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Maintenance reserve income	135,476	-	-	-
Compensation income	1,981	-	1,981	-
Security deposits for projects income	-	19,231	-	-
Others	-	508,234	125,907	480
Total	137,457	527,465	127,888	480

35. Gains from asset disposal

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Operating lease fixed asset disposal income	1,413,696	65,648	235	-

36. Interest expenses

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Interest expenses on borrowings	10,108,506	11,966,946	3,908,422	4,057,067
Interest expenses on debt securities	1,093,798	1,835,958	275,564	336,997
Interest expenses on lease liabilities	157,177	330,684	-	-
Interest expenses on financial assets sold under repurchase agreements	71,256	91,710	71,256	91,710
Interest expenses of derivatives margin	567	4,337	-	-
Total	11,431,304	14,229,635	4,255,242	4,485,774

37. Operating lease expenses

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Depreciation of operating lease assets	7,254,834	7,104,149	54,186	1,574
Depreciation of right-of-use assets	346,436	409,711	-	-
Others	2,517,485	2,236,773	-	-
Total	10,118,755	9,750,633	54,186	1,574

38. Taxes and surcharges

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Urban maintenance and construction tax	54,129	49,542	6,318	4,542
Education surcharges	39,179	35,887	4,513	3,244
Property tax	19,747	11,211	8,300	8,300
Others	59,625	46,251	31,455	19,781
Total	172,680	142,891	50,586	35,867

39. Operating and administrative expenses

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Employee benefits	402,050	399,624	345,674	353,480
Consulting fees	40,628	48,033	9,700	15,880
Depreciation of fixed assets	39,746	41,308	39,422	40,408
Technical service fees	28,269	67,318	-	-
Depreciation of right-of-use assets	16,898	17,403	7,115	6,622
Agency fee	9,500	30,712	15,862	13,256
Amortization of intangible assets	8,835	8,066	8,835	8,066
Advertisement and business entertainment	3,122	2,730	2,208	2,184
Maintenance expenses	1,865	1,937	1,645	1,874
Others	103,788	137,924	43,655	39,099
Total	654,701	755,055	474,116	480,869

40. Impairment losses/(reversals)

	The Group		The Company	
	2025	2024	2025	2024
Impairment losses on fixed assets under operating lease	1,042,362	794,521	-	-
Losses/(reversals) on lease receivables	833,573	(88,616)	(156,824)	(391,777)
Losses on prepayments for finance lease assets	34,766	62,070	74,095	17,421
Losses/(reversals) on cash and bank balances	25,580	3,828	119	(85)
Impairment losses on other assets	137,499	145,704	15,175	-
Total	2,073,780	917,507	(67,435)	(374,441)

41. Income tax expenses

The Group's applicable PRC income tax rate in 2025 is 25% (2024: 25%). Taxes on profits assessable overseas have been calculated at the applicable rates of tax prevailing in the countries/regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. A reconciliation of the income tax expense applicable to total profit at the PRC statutory income tax rate to actual income tax:

	The Group		The Company	
	2025	2024	2025	2024
Current income tax				
Chinese Mainland	650,944	580,914	293,631	82,240
Hong Kong	42,545	501,189	-	-
Other overseas regions	403,285	399,965	-	-
Sub-total	1,096,774	1,482,068	293,631	82,240
Deferred income tax	8,436	(44,495)	(9,920)	90,864
Total	1,105,210	1,437,573	283,711	173,104
Reconciliation of income tax expenses to accounting profit:				
Total profit	3,273,696	3,038,404	593,000	735,919
Tax at the applicable income tax rate (25%)	818,424	759,601	148,250	183,980
Effect of different applicable tax rates prevailing in other countries/regions	(104,100)	(31,995)	-	-
Effect of deductible losses and temporary differences for which no deferred tax asset was recognized in current year	670,495	723,923	-	-
Effect of using the deductible losses and temporary differences for which no deferred tax asset was recognized in previous period	(17,870)	(38,153)	-	-
Effect of non-deductible expenses and losses	7,463	20,714	7,332	(12,965)
Effect of annual filing in prior years	(15,594)	86,794	96,853	(34,595)
Effect of non-taxable income	(134,097)	(12,730)	(13,556)	(12,730)
Others	(119,511)	(70,581)	44,832	49,414
Income tax expenses for the year	1,105,210	1,437,573	283,711	173,104

42. Other comprehensive income

	The Group		The Company	
	2025	2024	2025	2024
Attributable to owners of the Company:				
Items that will not be reclassified to profit or loss:				
Changes in fair value of investments in other equity instruments	87,312	3,582	(565)	3,110
Less: Income tax effect	(141)	778	(141)	778
Subtotal	87,453	2,804	(424)	2,332
Items that may be reclassified to profit or loss:				
Other comprehensive income recognised under the equity method	8,408	-	-	-
Changes in fair value of other debt investments	137,262	(241,091)	(47,221)	29,824
Allowance for impairment losses of other debt investments	34,835	62,918	-	-
Less: Income tax effect	(11,805)	7,456	(11,805)	7,456
Subtotal	192,310	(185,629)	(35,416)	22,368
Translation differences of financial statements denominated in foreign currencies	(475,064)	283,067	-	-
Total other comprehensive income (net of tax)	(195,301)	100,242	(35,840)	24,700
Attributable to Non-controling interests:				
Total other comprehensive income (net of tax)	(10,617)	5,485	-	-

43. Cash and cash equivalents

Cash and cash equivalents carried in the cash flow statement were as follows:

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Bank deposits with original maturity of less than 3 months	14,677,263	23,653,572	3,066,430	2,838,376
Excess deposit reserves with the PBOC	1,000,060	5,557	1,000,060	5,557
Total	15,677,323	23,659,129	4,066,490	2,843,933

44. Supplementary information to cash flow statement

(1) Reconciliation of net profit to cash flows from operating activities:

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Net profit	2,168,486	1,600,831	309,289	562,815
Add: Impairment losses/(reversal)	2,073,780	917,507	(67,435)	(374,441)
Depreciation of fixed assets	7,294,580	7,145,457	93,608	41,982
Depreciation of right-of-use assets	363,334	427,114	7,115	6,622
Amortization of intangible assets	8,835	8,066	8,835	8,066
Gains on disposal of assets	(1,413,696)	(65,648)	(235)	-
Amortization of long-term deferred expenses	296,955	172,207	437	437
Amortization of lease premium assets	41,155	45,120	-	-
Amortization of deferred expenses	229,475	94,427	3,503	4,403
Exchange losses/(gains)	12,456	1,164	(11,559)	5,707
Investment income	(57,613)	(56,348)	(20,362)	(27,581)
Interest income from other debt investments	(114,497)	(113,418)	(55,107)	(51,688)
Interest expenses on lease liabilities	157,177	330,684	697	1,409
Interest expenses on long-term borrowings	5,783,700	7,933,056	668,519	896,728
Interest expenses on debt securities	1,093,798	1,835,958	275,564	336,997
Interest expenses of derivatives margin	567	4,337	-	-
Losses from changes in fair value	122,764	7,035	-	-
(Increase)/Decrease in deferred tax assets	(28,722)	58,061	(9,920)	90,864
Increase/(Decrease) in deferred tax liabilities	37,158	(102,556)	-	-
(Increase)/Decrease in operating receivables	(5,437,510)	1,456,473	(23,346,488)	(20,639,912)
Increase in operating payables	22,473,185	13,117,722	6,410,874	26,501,518
Net cash flow from operating activities	35,105,367	34,817,249	(15,732,665)	7,363,926

(2) Movements of cash and cash equivalents

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Closing balance of cash and cash equivalents	15,677,323	23,659,129	4,066,490	2,843,933
Less: Opening balance of cash and cash equivalents	23,659,129	15,777,766	2,843,933	846,954
Net change in cash and cash equivalents	(7,981,806)	7,881,363	1,222,557	1,996,979

45. Segment information

The Group operates principally in Chinese Mainland, and has subsidiaries operating outside Chinese Mainland, mainly including Hong Kong and Ireland.

The Group is mainly engaged in aircraft, vessels, and equipment leasing, and does not identify business segments according to the subject matter of the leasing business.

The Group's segments are identified based on the geographical areas, the main business segments are Chinese Mainland, Hong Kong and Ireland.

	2025					
	Chinese Mainland	*Hong Kong*	*Ireland*	*Other*	*Eliminations*	*Total*
Finance lease income and interest income	6,657,039	10,995,615	1,342,290	2,287,057	(13,119,727)	8,162,274
Operating lease income	5,868,046	4,468,707	6,009,241	1,571,021	-	17,917,015
Other revenue (1)	434,261	1,992,955	887,870	1,017,392	(2,429,529)	1,902,949
Interest expenses	7,250,003	10,853,533	3,488,161	2,952,371	(13,112,764)	11,431,304
Operating lease expenses	3,082,056	3,100,856	3,200,186	741,187	(5,530)	10,118,755
Taxes and surcharges	160,938	198	37	11,507	-	172,680
Impairment losses	94,573	345,721	826,942	806,544	-	2,073,780
Other expenses (2)	652,442	245,414	280,325	57,350	(323,508)	912,023
Total profit	1,719,334	2,911,555	443,750	306,511	(2,107,454)	3,273,696
Income tax expenses	(622,223)	(42,762)	(134,030)	(305,587)	(608)	(1,105,210)
Net profit	1,097,111	2,868,793	309,720	924	(2,108,062)	2,168,486
Depreciation	2,855,479	1,066,588	3,150,133	591,244	(5,530)	7,657,914
Capital expenditure	16,249,387	124,528	10,730,466	-	(8,057,552)	19,046,829

	31 December 2025					
	Chinese Mainland	*Hong Kong*	*Ireland*	*Other*	*Eliminations*	*Total*
Assets by segments	333,597,666	306,713,141	104,642,123	72,916,186	(409,425,738)	408,443,378
Including:						
Fixed assets	62,815,410	20,700,603	61,904,169	8,687,990	(99,791)	154,008,381
Construction in progress	2,419,162	16,415	11,829,141	-	-	14,264,718
Right-of-use assets	4,590,919	23,280	2,294,357	-	-	6,908,556
Investment properties	-	-	-	3,957,910	-	3,957,910
Other non-current assets (3)	230,426	8,190	1,036,225	407,025	-	1,681,866
Liabilities by segments	281,019,336	269,958,917	96,398,339	90,023,584	(385,562,306)	351,837,870

	2024					
	Chinese Mainland	Hong Kong	Ireland	Other	Eliminations	Total
Finance lease income and interest income	4,419,821	13,010,467	1,586,494	3,186,102	(12,469,426)	9,733,458
Operating lease income	5,177,059	4,558,348	6,304,321	1,838,585	-	17,878,313
Other revenue (1)	782,017	1,293,599	632,012	363,271	(1,505,036)	1,565,863
Interest expenses	5,271,946	13,144,012	4,247,904	4,094,563	(12,528,790)	14,229,635
Operating lease expenses	2,594,796	3,119,571	3,295,297	771,801	(30,832)	9,750,633
Taxes and surcharges	131,609	-	19	11,263	-	142,891
Impairment (reversals)/losses	(303,730)	(83,717)	675,756	629,198	-	917,507
Other expenses (2)	774,687	121,481	231,992	31,365	(60,961)	1,098,564
Total profit/(loss)	1,909,589	2,561,067	71,859	(150,232)	(1,353,879)	3,038,404
Income tax expenses	(641,754)	(508,625)	25,185	(317,618)	5,239	(1,437,573)
Net profit/(loss)	1,267,835	2,052,442	97,044	(467,850)	(1,348,640)	1,600,831
Depreciation	2,643,575	1,039,833	3,228,861	691,134	(30,832)	7,572,571
Capital expenditure	9,952,999	1,544,434	7,147,719	-	(7,691,674)	10,953,478

	31 December 2024					
Construction in progress	Chinese Mainland	Hong Kong	Ireland	Other	Eliminations	Total
Assets by segments	214,430,922	315,361,422	112,781,290	92,399,234	(328,290,862)	406,682,006
Including:						
Fixed assets	54,096,469	21,968,192	67,296,989	11,971,305	(80,248)	155,252,707
Construction in progress	3,111,670	173,900	10,254,041	-	-	13,539,611
Right-of-use assets	4,917,035	7,852	2,980,963	-	-	7,905,850
Investment properties	-	-	-	4,148,659	-	4,148,659
Other non-current assets (3)	213,397	6,503	1,177,564	51	-	1,397,515
Liabilities by segments	177,537,294	280,639,439	105,016,455	108,760,581	(304,914,703)	367,039,066

(1) Other revenue includes fee and commission income, investment income or losses, other income, gains or losses from changes in fair value, exchange gains or losses, other operating income, gains or losses from asset disposal, and non-operating income.

(2) Other expenses include fee and commission expenses, operating and administrative expenses, and non-operating expenses.

(3) Other non-current assets include intangible assets, long-term deferred expenses, maintenance right assets and lease premium assets.

V. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Information on the Company's parent company:

Name	Registered capital	Place of registration	Principal activities	% of shareholdings and voting rights	Nature or type of operation
ICBC	RMB 356.4 billion	Beijing	Financial services	100%	Commercial bank

2. Information on the Company's subsidiaries is disclosed in Note IV. 8 "Long-term equity investments and scope of consolidated financial statements".

3. Related parties having transactions with the Group where no control relationship exists:

Name of company	*Relationship with the Company*
Industrial and Commercial Bank of China (Asia) Limited ("ICBC Asia")	Controlled by the parent company
Industrial and Commercial Bank of China (London) plc ("ICBC London")	Controlled by the parent company
Industrial and Commercial Bank of China (Macau) Limited ("ICBC Macau")	Controlled by the parent company
ICBC Standard Bank Public Limited ("ICBC Standard Bank")	Controlled by the parent company

4. Transactions between the Group and the Company's parent company are as follows:

	31 December 2025	*31 December 2024*
Assets:		
Cash and bank balances	9,514,688	7,492,806
Other assets	13,019	13,410
Liabilities:		
Borrowings	110,551,652	97,041,210

	2025	*2024*
Interest income	249,892	271,760
Interest expenses	4,525,578	5,141,916
Fee and commission expenses	92,455	126,245

5. Transactions between the Company and its subsidiaries are as follows:

The related parties over which the Company has controls are the subsidiaries of the Company. For details of the subsidiaries of the Company, please refer to Note IV.8 "Long-term equity investments and scope of consolidated financial statements". All significant balances and transactions between the Company and its subsidiaries are eliminated in the consolidated financial statements. Details of the material transactions are as follows:

	31 December 2025	*31 December 2024*
Assets:		
Other assets		
- Entrusted loans	81,977,006	66,137,792
- Receivables due to assets transfer transactions	9,820,634	10,918,246
- Receivables arising from termination of contracts	451,884	1,817,244
Liabilities:		
Borrowings	4,565,850	2,965,595
Other payables	50,416	43,180

	2025	*2024*
Interest income	2,335,460	2,138,027
Other operating income	125,905	-
Interest expenses	22,082	24,692

The construction in progress which has been sold by the Company to the subsidiaries during the year amounted to RMB 141,727 thousand (2024: RMB 1,648,202 thousand).

As at 31 December 2025, the Company has not provided joint and several liability guarantees to its subsidiaries (31 December 2024: Nil).

The Company entered into agreements with its subsidiaries to undertake a remarketing service commitment to resell assets pledged for foreign currency loans. The details are set out in Note IX "Contingencies".

6. Transactions between the Group and related parties where no control relationship exists are as follows:

	31 December 2025	*31 December 2024*
Assets:		
Cash and bank balances	3,695,645	3,683,911
Operating lease receivables	110,062	107,650
Derivative financial assets	-	29,867
Liabilities:		
Borrowings	5,725,577	14,222,317
Other payables	-	30,263
Security deposits payable	16,161	16,569

	2025	*2024*
Interest income	27,319	26,214
Operating lease Income	96,922	97,500
Investment income	30,698	81,404
Interest expenses	114,285	449,551

Transactions between the Group and the aforementioned parties were conducted in the ordinary course of business under normal terms and conditions and priced based on market rates.

7. Key management personal

Key management personnel are those who have the authority and are responsible, directly or indirectly, for planning, directing and controlling the activities of the Company, including the Board of Directors, supervisors and senior management.

Total remuneration of key management personal is as follows:

	2025	*2024*
Remuneration and welfare	10,072	14,399

According to relevant requirements of shareholders, the final remunerations of the Company's chairman, president, vice president and other senior management are subject to the final confirmation of ICBC, but it is expected that such unconfirmed remunerations do not have a significant impact on the Company's financial statements for the year 2025. The final remuneration will be disclosed in a separate announcement after being confirmed by the relevant departments of ICBC.

8. Annuity Fund

Apart from the obligations for defined contributions to the Annuity Fund, in 2025 and 2024, there was no other related transaction between the Annuity Fund and the Group or the Company.

VI. FINANCIAL RISK MANAGEMENT

The Group's business activities are exposed to a variety of financial risks. The Group's risk management is largely geared to analyze, evaluate and manage risks of varying degrees or their combinations. The Group aims to strike a balance between risk and return and minimize potential adverse effects on its financial position and operating results.

1. Credit risk

(a) Credit risk management

The Group is exposed to credit risk, which is the risk of suffering financial loss, should any of its counterparties fail to fulfill their contractual obligations. Credit risk is the most important risk for the Group's business activities; management therefore carefully manages its exposure to credit risk. Credit risk arises mainly from leasing activities. Currently, the Group's Risk Management Committee is responsible for decision-making and centralized coordination in credit risk management, and manages credit risk through a number of measures, including industry-standard credit assessment, legal compliance, asset management and operation.

The Group performs credit risk management during pre-lease investigation, lease approval, and post-lease management. The Group carries out continuous monitoring of leasing projects, and strengthens risk surveillance over key industries, regions, products and customers. The Group controls its credit risk through, among other necessary measures, regular analyses of customers' ability to repay interests and principals and appropriate adjustments to their credit limits. The Group employs a range of policies to mitigate credit risk, primarily through taking collaterals and security deposit, obtaining guarantees from companies or individuals, and taking out insurance on leased assets.

In order to minimize credit risk, the Group will seek additional collaterals from counterparties or require additional guarantors once impairment indications are identified for a lease facility.

The credit risk on the cash and bank balances of the Group is limited because they are deposited with banks with high credit ratings.

(b) Impairment analyses and provisioning policies of financial instruments

The Group classifies financial instruments into three stages and makes provisions for expected credit losses accordingly, depending on whether credit risk on that financial instrument has increased significantly since initial recognition and whether the asset is credit impaired. Please refer to Note III.7(a) for the definition of three risk stages of financial instruments.

Significant increase in credit risk

The assessment of significant increase since initial recognition in the credit risk is performed at least on a quarterly basis for financial instruments held by the Group. The Group takes into consideration all reasonable and supportable information (including forward-looking information) that reflects significantly change in credit risk for the purposes of classifying financial instruments. The main considerations are regulatory and operating environment, internal and external credit risk grading, debt-servicing capacity, operating capabilities, contractual terms, and repayment records. The Group compares the risk of default of a single financial instrument or a portfolio of financial instruments with similar credit risk characteristics as at the end of the reporting period and its risk of default at the date of initial application to determine changes in the risk of default during the lifetime of a financial instrument or a portfolio of financial instruments. In determining whether credit risk of a financial instrument has increased significantly since initial recognition, the Group considers factors indicating whether the probability of default has risen sharply, whether the financial instrument has been past due for more than 30 days, whether the market price has been falling to assess deterioration.

Definition of default and impairment

Objective evidence that a financial instrument is defaulted and impaired includes:

(1) The principal or interest of financial instrument is past due more than 90 days to the Group;
(2) Significant financial difficulty of the lessee;
(3) A breach of contract by the lessee, such as default or delinquency in interest or principal payments;
(4) Concession to the lessee, for economic or legal reasons relating to the lessee's financial difficulty that the lessor would not otherwise consider;
(5) Probability that the lessee will become bankrupt or undergo other financial reorganizations.

Description of parameters, assumptions, and estimation techniques

ECL for a financial instrument is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk on that financial instrument has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL is the product of Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"), considering the time value of money. Related definitions are as follows:

PD is the possibility that a customer will default on its obligation within a certain period of time in light of forward-looking information. The Group's PD is adjusted based on the results of the Internal Rating-Based Approach under the Basel New Capital Accord, taking the forward-looking information into account and deducting the prudential adjustment to reflect the debtor's point-in-time (PIT) PD under the current macroeconomic environment;

LGD is the magnitude of the likely loss if there is a default in light of forward-looking information. The LGD is depending on the type of counterparty, the method and priority of the recourse, and the type of collaterals, with taking the forward-looking adjustment into account.

EAD refers to the total amount of on- and off-balance sheet exposures in the event of default and is determined based on the historical repayment records.

The assumptions underlying the ECL calculation, such as how the PDs and LGDs of different maturity profiles change are monitored and reviewed by the Group at each balance sheet date.

During the year, the Group performed internal and external verifications and rechecks on ECL models, etc., and continuously optimized the model based on the results of verifications and rechecks, including updating the criteria of stage division, looking-forward information, model parameters, and risk groups, as per the Administrative Measures for the Implementation of the Expected Credit Loss Method by Commercial Banks.

The Group adopts discounted cash flow method to measure the impairment losses on credit-impaired financial instruments. If there is objective evidence that an impairment loss on a financial asset has incurred, the allowance for impairment loss is measured as the higher of (1) difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate and (2) the loss calculated by the ECL method when the financial instrument is transferred from Stage 2 to Stage 3. The allowance for impairment loss is deducted in the carrying amount. The impairment loss is recognized in the statement of profit or loss. In determining allowances on an individual basis, the following factors are considered:

- The sustainability of the lessee's business plan;
- The lessee's ability to improve performance once a financial difficulty has arisen;
- The estimated recoverable cash flows from projects and liquidation;
- The availability of other financial support and the realizable value of collateral; and
- The timing of the expected cash flows.

It may not be possible to identify a single, or discrete events that result in the impairment, but it may be possible to identify impairment through the combined effect of several events. The impairment losses are evaluated at each balance sheet date, unless unforeseen circumstances require more careful attention.

Forward-looking information contained in ECL

The calculation of ECL incorporates forward-looking information. The Group has performed historical analysis and identified macroeconomic indicators, including Gross Domestic Product ("GDP"), Consumer Price Index ("CPI"), Purchasing Managers' Index ("PMI") and others. The impact of these economic indicators on the PD and LGD has been determined by performing statistical regression analysis to understand the correlations among the historical changes of the economic indicators, PD and LGD. The impact of these economic indicators on the PD and LGD differs for different business types. Forecasts of these economic indicators are made on the balance sheet date by the Group and the best estimate of the economy over the next year is provided.

The Group has determined optimistic, neutral and pessimistic scenarios and their weights based on macro data analysis and expert judgment results, and then calculated the Group's weighted average ECL reserve, in which optimistic and pessimistic scenarios have similar weights, while neutral scenarios have slightly higher weights.

(c) Maximum credit risk exposure

The maximum exposure to credit risk at the balance sheet date without taking into consideration of any collateral held or other credit enhancement is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance. A summary of the maximum credit exposure is as follows:

	The Group	
	31 December 2025	*31 December 2024*
Credit risk exposure relating to:		
Deposits with the central bank	1,000,313	25,171
Cash and bank balances	41,894,596	41,471,338
Lease receivables	163,474,385	166,719,921
Other debt investments	3,617,776	2,890,198
Prepayments	12,383,148	6,598,036
Other assets	1,038,798	2,363,839
Sub-total	223,409,016	220,068,503
Sale and leaseback commitment	703,527	4,347,001
Maximum credit risk exposure	224,112,543	224,415,504

(d) Risk concentration of finance lease receivables and sale and leaseback receivables

Credit risk increases when counterparties are concentrated in certain specific industries or geographical regions, or they share certain economic characteristics. The customers of the Group concentrate in a number of key industries, each with their own unique characteristics in economic development, which therefore presents different credit risks to the Group.

	The Group	
	31 December 2025	*31 December 2024*
Transportation, storage and postal service	132,080,086	134,393,330
Production and supply of electricity, heat, gas and water	17,677,266	14,657,957
Manufacturing	5,613,434	2,756,053
Water, environment and public utility management	3,426,199	7,698,494
Leasing and commercial services	3,194,443	4,351,318
Mining	2,213,906	2,901,232
Information transmission, computer service and software	660,599	689,588
Scientific research and technical services	438,176	153,384
Wholesale and retail	325,590	425,771
Construction	290,276	435,188
Health, social security and social welfare	139,995	268,293
Culture, sports and entertainment	124,337	165,644
Education	112,691	-
Agriculture, forestry, animal husbandry and fishery	24,447	40,663
Total	166,321,445	168,936,915

(e) Quality of finance lease receivables and sale and leaseback receivables

As at 31 December 2025, the Group's exposure to credit risk on finance lease receivables and sale and leaseback receivables is set out below:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount	152,331,166	12,572,468	1,417,811	166,321,445
Allowance for expected credit impairment	(1,664,701)	(1,163,412)	(1,417,811)	(4,245,924)

As at 31 December 2024, the Group's exposure to credit risk on finance lease receivables and sale and leaseback receivables is set out below:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount	164,797,684	2,600,014	1,539,217	168,936,915
Allowance for expected credit impairment	(1,930,349)	(486,934)	(1,374,764)	(3,792,047)

2. Market risk

Market risk is the risk of loss, in respect of the Group's on- and off-balance sheet activities, arising from adverse movements in market rates (including interest rates, foreign exchange rates, commodity prices, stock prices and other prices).

The Group is exposed to primarily structural interest rate risk arising from leasing business and position risk arising from treasury transactions. Interest rate risk is inherent in many of its businesses and largely arises from mismatches between the repricing dates of assets and liabilities. The Group's foreign exchange risk mainly includes foreign exchange exposure arising from a currency structure imbalance between foreign currency assets and foreign currency liabilities. As at the balance sheet date, the Group's business is primarily conducted in RMB and USD. Sensitivity analysis, interest rate gap analysis and foreign exchange risk concentration analysis are the main market risk management tools used by the Group to monitor the market risk of its overall businesses.

(a) Interest rate risk

The following table summarizes the Group's exposure to interest rate risk based on the earlier of the contractual repricing date or maturity date.

	Within 3 months	*3 months to 1 year*	*1 to 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
31 December 2025						
Assets:						
Deposits with the central bank	1,000,313	-	-	-	-	1,000,313
Cash and bank balances	19,157,562	11,455,246	10,672,595	-	609,193	41,894,596
Lease receivables	80,483,646	52,054,473	10,912,191	18,357,857	1,666,218	163,474,385
Other debt investments	-	1,573,911	241,665	1,758,769	43,431	3,617,776
Investments in other equity instruments	-	-	-	-	180,967	180,967
Financial assets held for trading	48,112	137,926	468,975	-	2,179	657,192
Prepayments	7,950,824	3,793,294	370,852	24,628	1,415,317	13,554,915
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	175,181,655	175,181,655
Investment Properties	-	-	-	-	3,957,910	3,957,910
Others	-	-	-	-	4,923,669	4,923,669
Total assets	108,640,457	69,014,850	22,666,278	20,141,254	187,980,539	408,443,378
Liabilities:						
Borrowings	90,446,359	115,070,404	80,832,806	3,777,180	1,804,497	291,931,246
Financial assets sold under repurchase agreements	1,054,320	1,251,126	-	-	26,736	2,332,182
Bills payable	319,172	2,307,013	-	-	-	2,626,185
Security deposits payable	-	-	-	-	1,216,996	1,216,996
Debt securities issued	1,616,635	12,505,059	20,754,926	1,745,640	397,415	37,019,675
Others	3,255,339	15,002	754,633	32,273	12,654,339	16,711,586
Total liabilities	96,691,825	131,148,604	102,342,365	5,555,093	16,099,983	351,837,870
Interest rate sensitivity gap	11,948,632	(62,133,754)	(79,676,087)	14,586,161	171,880,556	56,605,508

	Within 3 months	*3 months to 1 year*	*1 to 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
31 December 2024						
Assets:						
Deposits with the central bank	25,171	-	-	-	-	25,171
Cash and bank balances	25,094,493	6,245,974	8,332,589	-	1,798,282	41,471,338
Lease receivables	102,549,929	31,996,417	8,414,343	21,870,004	1,889,228	166,719,921
Other debt investments	-	450,938	1,792,287	618,678	28,295	2,890,198
Investments in other equity instruments	-	-	-	-	239,832	239,832
Financial assets held for trading	51,269	147,046	640,057	-	-	838,372
Prepayments	267,657	6,102,731	-	-	1,953,608	8,323,996
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	176,698,168	176,698,168
Investment Properties	-	-	-	-	4,148,659	4,148,659
Others	73,809	-	-	-	5,252,542	5,326,351
Total assets	128,062,328	44,943,106	19,179,276	22,488,682	192,008,614	406,682,006
Liabilities:						
Borrowings	110,424,575	89,149,939	92,431,412	4,288,771	2,060,521	298,355,218
Financial assets sold under repurchase agreements	1,114,202	812,289	-	-	27,317	1,953,808
Bills payable	1,239,569	915,994	-	-	-	2,155,563
Security deposits payable	-	-	-	-	1,270,340	1,270,340
Debt securities issued	7,157,155	6,467,328	29,095,692	1,782,754	442,045	44,944,974
Others	3,966,358	92,565	838,795	30,402	13,431,043	18,359,163
Total liabilities	123,901,859	97,438,115	122,365,899	6,101,927	17,231,266	367,039,066
Interest rate sensitivity gap	4,160,469	(52,495,009)	(103,186,623)	16,386,755	174,777,348	39,642,940

The Group's interest rate risk arises from the differences in timing between contractual maturities and repricing of interest-generating assets and interest-bearing liabilities. The Group's interest-generating assets and interest-bearing liabilities are mainly denominated in RMB and USD.

The Group manages its interest rate risk by:

- regularly monitoring the macroeconomic factors that may impact the benchmark interest rates;
- optimizing the differences in timing between contractual maturities and repricing of interest-generating assets and interest-bearing liabilities; and
- managing the deviation of the pricing of interest-generating assets and interest-bearing liabilities from the benchmark interest rates.

A principal part of the Group's management of interest rate risk is to monitor the sensitivity of projected net interest income under varying interest rate scenarios. The Group aims to mitigate the impact of prospective interest rate movements which could reduce future net interest income, while balancing the cost of such hedging on the current revenue.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's net interest income.

The sensitivity of the net interest income is based on the effect on profit before taxation of a corresponding change of 100 basis points in interest income and expense when an interest-generating asset or interest-bearing liability of less than one year is reset, reinvested or replaced with a similar asset or liability at maturity.

	Effect on profit before taxation		*Effect on other comprehensive income*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Change in basis points				
+100 basis points	(134,353)	(162,143)	(5,902)	(1,691)
-100 basis points	134,353	162,143	5,902	1,691

(b) Exchange rate risk

The Group	*31 December 2025*					
	RMB	*USD (equivalent to RMB)*	*EUR (equivalent to RMB)*	*HKD (equivalent to RMB)*	*Others (equivalent to RMB)*	*Total*
Assets:						
Deposits with the central bank	1,000,060	253	-	-	-	1,000,313
Cash and bank balances	31,374,705	10,273,699	137,405	27,871	80,916	41,894,596
Lease receivables	99,007,243	63,196,758	1,160,322	110,062	-	163,474,385
Other debt investments	2,801,128	816,648	-	-	-	3,617,776
Investments in other equity instruments	41,541	139,426	-	-	-	180,967
Financial assets held for trading	-	657,192	-	-	-	657,192
Prepayments	11,313,588	2,241,327	-	-	-	13,554,915
Fixed assets, right-of-use assets and construction in progress	10,884,301	164,230,367	43,707	23,280	-	175,181,655
Investment Properties	-	-	-	3,957,910	-	3,957,910
Others	2,608,414	2,279,632	33,231	2,392	-	4,923,669
Total assets	159,030,980	243,835,302	1,374,665	4,121,515	80,916	408,443,378
Liabilities:						
Borrowings	149,990,567	138,611,784	-	3,328,895	-	291,931,246
Financial assets sold under repurchase agreements	-	2,332,182	-	-	-	2,332,182
Bills payable	2,626,185	-	-	-	-	2,626,185
Security deposits payable	510,797	687,896	-	18,303	-	1,216,996
Debt securities issued	11,199,298	25,820,377	-	-	-	37,019,675
Others	833,295	15,659,492	108,693	31,066	79,040	16,711,586
Total liabilities	165,160,142	183,111,731	108,693	3,378,264	79,040	351,837,870
Net (short) /long position	(6,129,162)	60,723,571	1,265,972	743,251	1,876	56,605,508

The Group	31 December 2024					
	RMB	USD (equivalent to RMB)	EUR (equivalent to RMB)	HKD (equivalent to RMB)	Others (equivalent to RMB)	Total
Assets:						
Deposits with the central bank	24,912	259	-	-	-	25,171
Cash and bank balances	22,416,521	18,829,466	62,877	55,801	106,673	41,471,338
Lease receivables	94,824,124	71,723,423	64,592	107,782	-	166,719,921
Other debt investments	2,266,808	623,390	-	-	-	2,890,198
Investments in other equity instruments	42,107	197,725	-	-	-	239,832
Financial assets held for trading	-	838,372	-	-	-	838,372
Prepayments	4,650,545	3,673,451	-	-	-	8,323,996
Fixed assets, right-of-use assets and construction in progress	6,073,306	170,571,145	45,864	7,853	-	176,698,168
Investment Properties	-	-	-	4,148,659	-	4,148,659
Others	2,111,274	3,015,080	111,456	88,541	-	5,326,351
Total assets	132,409,597	269,472,311	284,789	4,408,636	106,673	406,682,006
Liabilities:						
Borrowings	99,152,154	195,958,348	-	3,244,716	-	298,355,218
Financial assets sold under repurchase agreements	-	1,953,808	-	-	-	1,953,808
Bills payable	2,155,563	-	-	-	-	2,155,563
Security deposits payable	324,505	926,443	-	19,392	-	1,270,340
Debt securities issued	11,193,346	33,751,628	-	-	-	44,944,974
Others	934,114	17,068,953	175,796	14,096	166,204	18,359,163
Total liabilities	113,759,682	249,659,180	175,796	3,278,204	166,204	367,039,066
Net long/(short) position	18,649,915	19,813,131	108,993	1,130,432	(59,531)	39,642,940

The table below indicates a sensitivity analysis of exchange rate changes of the currencies to which the Group had significant exposure on its monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement in the currency rates against the RMB, with all other variables held constant, on profit before taxation and other comprehensive income. A negative amount in the table reflects a potential net reduction in profit before taxation or other comprehensive income, while a positive amount reflects a potential net increase.

This effect, however, is based on the assumption that the Group's foreign exchange exposures as at the year-end are kept unchanged and, therefore, have not incorporated actions that would be taken by the Group to mitigate the adverse impact of this foreign exchange exposure on profit before taxation or other comprehensive income.

		Effect on profit before taxation		*Effect on other comprehensive income*	
Currency	*Change in exchange rate*	*31 December 2025*	*31 December 2024*	*31 December 2025*	*31 December 2024*
USD	-1%	(37,857)	(37,628)	(378,791)	(375,801)
HKD	-1%	1,582	1,072	(389)	(1,227)
EUR	-1%	4,815	3,112	(2,300)	(1,941)

While the table above indicates the effect on profit before taxation and other comprehensive income of 1% depreciation of USD, EUR and HKD against RMB, there will be an opposite effect with the same amount if the currency appreciates by the same percentage.

3. Liquidity risk

Liquidity risk is the risk that the Group is unable to provide funds for maturing liabilities through asset realization at reasonable prices on a timely basis.

The Group is exposed to specific daily calls on its available cash resources, including release of security deposit and repayment of fixed-term borrowings. The Group sets certain limits on funds available to meet such calls and on interbank and other borrowing facilities that should be in place to cover withdrawals at unexpected levels of demand.

The Risk Management Committee under the Board of Directors of the Group is responsible for setting liquidity risk management policies and the Financial Markets Department under the management of the Risk Management Committee is responsible for day-to-day liquidity risk management.

(a) As at 31 December 2025, the Group's assets and liabilities are analyzed by maturity as follows:

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	1,000,060	-	-	-	-	-	253	1,000,313
Cash and bank balances	13,560,824	1,907,535	3,861,551	11,649,771	10,914,915	-	-	41,894,596
Lease receivables	233,834	2,771,318	5,708,433	22,482,995	85,578,327	46,506,820	192,658	163,474,385
Other debt investments	-	-	14,114	1,598,620	241,665	1,763,377	-	3,617,776
Investments in other equity instruments	-	-	-	-	-	-	180,967	180,967
Financial assets held for trading	-	-	48,112	137,926	468,975	2,179	-	657,192
Prepayments	71,737	-	630	4,231	1,767,825	11,710,492	-	13,554,915
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	-	-	175,181,655	175,181,655
Investment Properties	-	-	-	-	-	-	3,957,910	3,957,910
Others	99,890	130,370	126,587	806,835	1,892,076	523,371	1,344,540	4,923,669
Total assets	14,966,345	4,809,223	9,759,427	36,680,378	100,863,783	60,506,239	180,857,983	408,443,378
Liabilities:								
Borrowings	26,656	39,438,264	47,982,885	116,207,224	84,207,464	4,068,753	-	291,931,246
Financial assets sold under repurchase agreements	-	1,063,657	-	1,268,525	-	-	-	2,332,182
Bills payable	-	289,075	30,097	2,307,013	-	-	-	2,626,185
Security deposits payable	-	2,460	39,056	101,373	498,385	477,024	98,698	1,216,996
Debt securities issued	-	123,453	1,764,393	12,631,263	20,754,926	1,745,640	-	37,019,675
Others	218,651	719,146	1,408,324	1,322,402	4,910,759	6,990,495	1,141,809	16,711,586
Total liabilities	245,307	41,636,055	51,224,755	133,837,800	110,371,534	13,281,912	1,240,507	351,837,870
Net liquidity	14,721,038	(36,826,832)	(41,465,328)	(97,157,422)	(9,507,751)	47,224,327	179,617,476	56,605,508

As at 31 December 2024, the Group's assets and liabilities are analyzed by maturity as follows:

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	5,557	-	-	-	-	-	19,614	25,171
Cash and bank balances	23,653,048	824,056	2,221,570	6,276,376	8,496,288	-	-	41,471,338
Lease receivables	39,227	3,907,009	5,265,492	21,180,130	89,210,835	46,555,890	561,338	166,719,921
Other debt investments	-	-	3,738	475,734	1,792,287	618,439	-	2,890,198
Investments in other equity instruments	-	-	-	-	-	-	239,832	239,832
Financial assets held for trading	-	-	51,269	147,046	640,057	-	-	838,372
Prepayments	468,883	15	846	25,115	1,393,146	6,435,991	-	8,323,996
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	-	-	176,698,168	176,698,168
Investment Properties	-	-	-	-	-	-	4,148,659	4,148,659
Others	12,097	19,247	92,065	2,586,351	584,727	775,589	1,256,275	5,326,351
Total assets	24,178,812	4,750,327	7,634,980	30,690,752	102,117,340	54,385,909	182,923,886	406,682,006
Liabilities:								
Borrowings	94,366	28,524,362	72,136,585	64,948,978	95,296,184	37,354,743	-	298,355,218
Financial assets sold under repurchase agreements	-	-	1,133,701	820,107	-	-	-	1,953,808
Bills payable	-	856,333	383,236	915,994	-	-	-	2,155,563
Security deposits payable	-	14,187	-	51,150	511,646	499,973	193,384	1,270,340
Debt securities issued	-	5,170,449	660,231	6,584,323	30,746,689	1,783,282	-	44,944,974
Others	59,100	428,748	518,008	3,444,116	6,005,420	7,856,462	47,309	18,359,163
Total liabilities	153,466	34,994,079	74,831,761	76,764,668	132,559,939	47,494,460	240,693	367,039,066
Net liquidity	24,025,346	(30,243,752)	(67,196,781)	(46,073,916)	(30,442,599)	6,891,449	182,683,193	39,642,940

(b) At 31 December 2025, the Group's undiscounted contractual cash flows for financial instruments are analyzed by maturity as follows. The undiscounted contractual cash flows include principal and interest, and certain account amounts in the table below cannot directly correspond to the amounts in the balance sheet.

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	1,000,060	-	-	-	-	-	253	1,000,313
Cash and bank balances	13,560,824	1,908,430	3,871,881	11,761,806	11,124,195	-	-	42,227,136
Lease receivables	233,834	3,132,784	6,353,308	25,334,607	100,115,887	59,403,207	1,610,470	196,184,097
Other debt investments	-	-	14,114	1,628,723	484,290	1,879,923	-	4,007,050
Investments in other equity instruments	-	-	-	-	-	-	180,967	180,967
Financial assets held for trading	-	-	48,389	141,874	524,321	2,179	-	716,763
Prepayments	382,649	15,264	33,724	182,473	1,353,774	11,228,323	-	13,196,207
Other financial assets	86,737	104,870	-	588,250	364,817	-	217	1,144,891
Total financial assets	15,264,104	5,161,348	10,321,416	39,637,733	113,967,284	72,513,632	1,791,907	258,657,424
Liabilities:								
Borrowings	44,950	39,704,275	49,260,170	119,934,211	87,695,796	4,194,317	-	300,833,719
Financial assets sold under repurchase agreements	-	1,065,405	-	1,287,690	-	-	-	2,353,095
Bills payable	-	300,095	30,097	2,307,013	-	-	-	2,637,205
Security deposits payable	-	2,460	39,056	101,373	498,385	477,024	98,698	1,216,996
Debt securities issued	-	144,848	1,800,588	13,160,322	21,655,568	1,803,766	-	38,565,092
Other financial liabilities	52,031	69,720	328,105	1,369,934	4,651,154	4,258,232	46,259	10,775,435
Total financial liabilities	96,981	41,286,803	51,458,016	138,160,543	114,500,903	10,733,339	144,957	356,381,542

At 31 December 2024, the Group's undiscounted contractual cash flows for financial instruments are analyzed by maturity as follows. The undiscounted contractual cash flows include principal and interest, and certain account amounts in the table below cannot directly correspond to the amounts in the balance sheet.

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	5,557	-	-	-	-	-	19,614	25,171
Cash and bank balances	23,653,048	824,418	2,228,479	6,346,030	8,847,946	-	-	41,899,921
Lease receivables	39,227	4,372,734	6,023,361	24,267,048	106,309,002	61,824,912	1,936,102	204,772,386
Other debt investments	-	-	3,738	547,968	2,095,702	752,389	-	3,399,797
Investments in other equity instruments	-	-	-	-	-	-	239,832	239,832
Financial assets held for trading	-	-	51,564	151,256	730,810	-	-	933,630
Prepayments	108,765	8,002	55,524	139,405	1,435,019	6,434,647	-	8,181,362
Other financial assets	-	-	44,856	1,905,378	57,528	663,966	82,111	2,753,839
Total financial assets	23,806,597	5,205,154	8,407,522	33,357,085	119,476,007	69,675,914	2,277,659	262,205,938
Liabilities:								
Borrowings	319,237	29,044,597	73,562,799	68,607,611	102,459,925	41,266,330	-	315,260,499
Financial assets sold under repurchase agreements	-	-	1,145,156	832,617	-	-	-	1,977,773
Bills payable	-	860,600	383,236	915,994	-	-	-	2,159,830
Security deposits payable	-	14,187	-	51,150	511,646	499,973	193,384	1,270,340
Debt securities issued	-	5,195,897	717,742	7,134,714	32,133,173	1,892,346	-	47,073,872
Other financial liabilities	11,008	99,501	151,444	2,300,528	6,034,075	4,825,565	47,309	13,469,430
Total financial liabilities	330,245	35,214,782	75,960,377	79,842,614	141,138,819	48,484,214	240,693	381,211,744

VII. CAPITAL MANAGEMENT

The capital management of the Group focuses on capital adequacy ratios and returns on capital so as to enable the Group to meet the requirements for regulatory compliance, credit rating, risk compensation and shareholder's return. This also facilitates the Group's risk management, ensures the orderly expansion of the asset size and enhances its operational structure and business model.

The Group calculates and discloses the capital adequacy ratio based on the characteristics of leasing industry in accordance with the Measures for the Administration of Financial Leasing Companies issued by the National Financial Regulatory Administration in 2024 as well as the Measures for Administration of Capital of Commercial Banks and other requirements. The treatments related to the characteristics of the industry have been communicated with the regulatory authorities.

The capital adequacy ratios and related components of the Group are calculated in accordance with the statutory financial statements of the Group prepared under PRC GAAP. During the year, the Group has fully complied with the capital requirements stipulated by the regulatory authorities.

For information on capital management, please refer to the column "Company News - Information announcement" on the Company's website (www.icbcleasing.com).

VIII. FAIR VALUE

1. Fair value hierarchy

The level at which fair value measurement is categorized is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement. The levels of inputs are defined as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 inputs use valuation techniques, with all parameters that have a significant impact on the valuation results adopted observable market information, either directly or indirectly; and

Level 3 inputs use valuation techniques, with certain parameters that have a significant impact on the valuation results not based on observable market information.

The following is a description of the fair value of the financial instruments measured at fair value which are determined using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

Financial investments

Financial investments valued using valuation techniques mainly consist of bond investments, preference shares and unlisted equity. The fair value of RMB bonds for which a valuation exists on the China Bond Information Network (CBIN) on the valuation date is determined using the latest valuation results published by CBIN. The discounted cash flow model is used to evaluate the bond investment and preference shares without market quotation, and the parameters mainly include the interest rate curve of the corresponding remaining term. The valuation of non-listed equities is based on the financial information of the invested enterprise and the financial information and market multiples of comparable listed companies, and adjusted by considering a certain liquidity discount.

Derivatives

Derivatives valued using a valuation technique with market observable inputs are mainly interest rate swaps. The most frequently applied valuation techniques include discounted cash flow model. The models incorporate various inputs including foreign exchange spot and forward rates, and interest rate yield curves, etc.

The following table presents the fair value information and the fair value hierarchy, at the end of the current reporting period, of the Group's assets and liabilities which are measured at fair value at each balance sheet date on a recurring or non-recurring basis.

The Group

	31 December 2025			
	Level 1	*Level 2*	*Level 3*	*Total*
Assets				
Other debt investments	-	3,617,776	-	3,617,776
Investments in other equity instruments	177,509	-	3,458	180,967
Financial assets held for trading	-	-	657,192	657,192
Total	177,509	3,617,776	660,650	4,455,935

	31 December 2024			
	Level 1	*Level 2*	*Level 3*	*Total*
Assets				
Derivative financial assets	-	29,867	-	29,867
Other debt investments	-	2,890,198	-	2,890,198
Investments in other equity instruments	239,832	-	-	239,832
Financial assets held for trading	-	-	838,372	838,372
Total	239,832	2,920,065	838,372	3,998,269

During 2025 and 2024, there were no transfers, between Level 1 and Level 2, or between Level 2 and Level 3, of the Group's above assets and liabilities which are measured at fair value on a recurring basis.

2. Fair value of other financial instruments

The Group's financial instruments not measured at fair value include cash and bank balances, deposits with the central bank, lease receivables, borrowings, debt securities issued, etc.. As at the balance sheet date, the carrying amount and fair value of financial instruments are approximate, except for the financial instruments listed following:

	Carrying amount		*Fair value*	
	31 December 2025	*31 December 2024*	*31 December 2025*	*31 December 2024*
Debt securities issued	37,019,675	44,944,974	34,601,610	43,875,430

IX. CONTINGENCIES

The Company entered into agreements with its subsidiaries' loan of ICBC, ICBC Asia, Natixis, BNP Paribas, Credit Industriel & Commercial, Commerzbank, Bank of Tokyo-Mitsubishi UFJ, ING Bank, The Export-Import Bank Of China, Societe Generale, Nanyang Commercial Bank, National Australia Bank Syndicate, BNP Paribas Syndicate, etc., to undertake resell service of pledged assets for foreign currency loans.

As at 31 December 2025 and 31 December 2024, the Group and the Company provided external joint and several liability guarantees to related parties (see Note V).

X. COMMITMENTS

1. Capital commitments

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Contracted but not recognized in the financial statements				
- Capital commitments	13,742,176	16,007,441	12,428,877	14,280,854
- Investment commitments	-	-	5,273,300	5,396,000
Total	13,742,176	16,007,441	17,702,177	19,676,854

2. Lease commitments

As at 31 December 2025 and 31 December 2024, the Group and the Company had lease commitments contracted as the lessor but not effective as follows:

	The Group		*The Company*	
	2025	*2024*	*2025*	*2024*
Finance lease commitments	372,519	5,790,019	86,956	-
Sale and leaseback commitments	703,527	4,350,136	-	-
Total	1,076,046	10,140,155	86,956	-

XI. SUBSEQUENT EVENTS

Effective from 1 January 2026, the *Value-Added Tax Law of the People's Republic of China* will come into force, accompanied by the simultaneous implementation of its supporting regulation, the *Regulation on the Implementation of the Value-Added Tax Law of the People's Republic of China.* The Group anticipates that the enactment of these new regulations will impact its operating results and financial position. The Group will obtain further information to assess the actual impact.

XII. COMPARATIVE FIGURES

As described in Note III.25, the Company had a business combination under the common control in 2025. In preparing the consolidated financial statements for fiscal year 2025 and comparative periods, it will be deemed to have been included in the Company's scope of consolidation when the ultimate controlling party of the Company began to exercise control over them, and the opening balance of the consolidated fiancial statements as well as the comparative statements of the prior periods are adjusted accordingly.

Certain comparative amounts have been reclassified to conform with current year's presentation.

XIII. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Company on 27 April 2026.

ICBC Financial Leasing Co., Ltd.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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Independent Auditors' Report

To the Board of Directors of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Opinion

We have audited the accompanying financial statements of ICBC Financial Leasing Co., Ltd. (the "Company"), which comprise the consolidated balance sheet and balance sheet as at 31 December 2024, the consolidated income statement and income statement, the consolidated cash flow statement and cash flow statement, and the consolidated statement of changes in owners' equity and the statement of changes in owners' equity for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of the Company as at 31 December 2024, and the consolidated and company financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing("ISAs") .Our responsibility under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statement* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the People's Republic of China, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG Huazhen LLP, a People's Republic of China partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Independent Auditors' Report (continued)

To the Shareholders of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Other information

Management is responsible for the other information. The other information comprises all the information included in 2024 annual report of the Company, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

KPMG

Independent Auditors' Report (continued)

To the Shareholders of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors' Report (continued)

To the Shareholders of ICBC Financial Leasing Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Huazhen LLP

Certified Public Accountants
8th Floor, Tower E2, Oriental Plaza
1 East Chang An Avenue
Beijing 100738, China
28 April 2025

ICBC Financial Leasing Co., Ltd.
Consolidated balance sheet and balance sheet
31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		31 December 2024	31 December 2023 (Restated)	31 December 2024	31 December 2023
ASSETS					
Deposits with the central bank	1	25,171	17,217	25,171	17,217
Cash and bank balances	2	41,403,460	22,240,159	2,838,058	842,573
Derivative financial assets	3	29,867	91,574	-	-
Lease receivables	4	166,532,246	173,825,205	85,204,585	87,321,994
Other debt investments	5	2,890,198	2,849,389	2,266,808	2,046,433
Investments in other equity instruments	6	239,832	233,347	42,107	38,998
Financial assets held for trading	7	838,372	988,126	-	-
Long-term equity investments	8	84,206	57,980	9,485,025	3,091,735
Prepayments	9	7,870,657	4,432,454	3,909,057	416,550
Fixed assets	10	154,914,816	151,212,402	924,065	857,187
Construction in progress	11	13,539,611	17,663,937	1,953,780	3,580,561
Right-of-use assets	12	7,859,986	9,897,763	22,906	21,268
Deferred tax assets	13	766,047	832,342	686,558	785,656
Other assets	14	20,906,162	18,903,057	79,799,174	57,870,571
Total Assets		417,900,631	403,244,952	187,157,294	156,890,743

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated balance sheet and balance sheet (continued)
31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		31 December 2024	31 December 2023 (Restated)	31 December 2024	31 December 2023
LIABILITIES AND EQUITY					
Liabilities					
Borrowings	15	297,225,784	267,004,931	142,972,755	116,179,741
Derivative financial liabilities	3	-	64,095	-	-
Financial assets sold under repurchase agreements	16	1,953,808	1,631,073	1,953,808	1,631,073
Advances from customers	17	2,112,663	2,540,113	198,075	428,672
Bills payable	18	2,155,563	488,933	2,155,563	488,933
Employee benefits payable	19	278,407	249,488	277,260	248,350
Taxes payable	20	1,135,350	858,826	5,672	48,188
Security deposits payable	21	1,221,260	1,323,104	269,247	98,824
Other payables	22	7,837,800	6,238,625	175,255	177,716
Debt securities issued	23	44,944,974	64,497,312	11,193,346	10,222,015
Long-term payables	24	47,309	159,116	-	-
Lease liabilities	25	4,877,544	6,759,440	28,154	26,587
Deferred tax liabilities	13	2,192,370	2,253,275	-	-
Total Liabilities		365,982,832	354,068,331	159,229,135	129,550,099

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated balance sheet and balance sheet (continued)
31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		31 December 2024	31 December 2023 (Restated)	31 December 2024	31 December 2023
Equity					
Paid-in capital	26	18,000,000	18,000,000	18,000,000	18,000,000
Capital reserve		493,234	493,234	-	-
Other comprehensive income		1,027,505	751,232	37,849	13,149
Surplus reserve	27	3,068,576	2,916,739	1,780,792	1,720,409
General reserve	28	3,099,568	2,922,506	2,899,786	2,722,724
Retained earnings		25,823,698	23,756,910	5,209,732	4,884,362
Attributable to owners of the Company		51,512,581	48,840,621	27,928,159	27,340,644
Non-controlling interests		405,218	336,000	-	-
Total equity		51,917,799	49,176,621	27,928,159	27,340,644
Total liabilities and equity		417,900,631	403,244,952	187,157,294	156,890,743

Legal Representative	Chief Executive Officer	General Manager of Finance Department	(Company stamp)
Zhang, Zhenghua	Zhang, Bao	Liu, Jian	

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated income statement and income statement
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2024	2023 (Restated)	2024	2023
Operating income					
Finance lease income and interest income	29	10,397,654	11,391,985	5,461,189	6,154,716
Operating lease income	30	17,718,112	16,310,754	3,144	-
Fee and commission income	31	244,956	299,589	7,395	80,225
Investment income/(losses)		56,348	602,046	27,581	(12,957)
Other income	32	678,619	891,878	120,000	90,000
Gains/(losses) from changes in fair value		2,197	(10,951)	-	-
Exchange (losses)/gains		(17,061)	10,287	(5,707)	10,330
Other operating income	33	525,610	989,078	480	-
Gains/(losses) from asset disposals		220,448	(100,127)	-	56,166
Total Operating Income		29,826,883	30,384,539	5,614,082	6,378,480
Operating expenses					
Interest expenses	34	14,230,022	14,834,728	4,485,774	4,595,072
Operating lease expenses	35	9,698,578	9,096,672	1,574	3,767
Fee and commission expenses		221,422	304,832	127,982	184,579
Taxes and surcharges	36	131,627	179,546	35,867	87,312
Operating and administrative expenses	37	708,860	752,352	480,869	432,153
Impairment losses/(reversals)	38	832,729	1,066,603	(374,441)	314,180
Total Operating Expenses		25,823,238	26,234,733	4,757,625	5,617,063
Operating profit		4,003,645	4,149,806	856,457	761,417
Add: Non-operating income		476	10,886	214	1,122
Less: Non-operating expenses		120,880	827	120,752	-
Profit before taxation		3,883,241	4,159,865	735,919	762,539
Less: Income tax expenses	39	1,423,821	1,605,870	173,104	166,913
Net profit for the year		2,459,420	2,553,995	562,815	595,626
Attributable to:					
Owners of the Company		2,395,687	2,554,110	562,815	595,626
Non-controlling interests		63,733	(115)	-	-

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated income statement and income statement (continued)
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2024	2023 (Restated)	2024	2023
Other comprehensive income, net of tax	40	281,758	289,731	24,700	9,697
(I) Other comprehensive income (net of tax) attributable to owners of the Company		276,273	284,128	24,700	9,697
1. Items that will not be reclassified to profit or loss					
Changes in fair value of investments in other equity instruments		2,804	(130,646)	2,332	(4,027)
2. Items that may be reclassified to profit or loss					
(1) Changes in fair value of other debt investments		(248,547)	5,900	22,368	14,022
(2) Allowance for impairment losses of other debt investments		62,918	5,888	-	(298)
(3) Translation differences arising from translation of foreign currency financial statements		459,098	406,436	-	-
(4) Other comprehensive income recognised under the equity method		-	(3,450)	-	-
(II) Other comprehensive income (net of tax) attributable to non-controlling interests		5,485	5,603	-	-
Total comprehensive income for the year		2,741,178	2,843,726	587,515	605,323
Attributable to:					
(I) Owners of the Company		2,671,960	2,838,238	587,515	605,323
(II) Non-controling interests		69,218	5,488	-	-

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated cash flow statement and cash flow statement
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2024	2023 (Restated)	2024	2023 (Restated)
I. Cash Flows from Operating Activities					
Net decrease in finance lease receivables, sale-and-leaseback receivables and prepayments		5,916,666	9,497,339	1,005,603	10,020,709
Cash received from finance lease, interest income, fees and commissions		10,128,357	12,706,211	5,048,111	6,060,754
Cash received from operating lease rentals		17,340,498	16,589,186	3,144	-
Net increase in short-term borrowings		5,502,274	14,581,586	24,888,316	-
Net increase in repurchase agreements		297,470	1,629,021	297,470	1,629,021
Cash received from other operating activities		14,296,019	10,635,838	2,320,989	399,773
Subtotal of cash inflows from operating activities		53,481,284	65,639,181	33,563,633	18,110,257
Net decrease in short-term borrowings		-	-	-	(4,941,300)
Net increase in entrusted loans		(493,741)	(787,683)	(21,195,730)	(3,068,307)
Cash payments for interest of short-term borrowings, fees and commissions		(4,894,303)	(8,133,537)	(3,756,209)	(3,399,366)
Payment to and for employees		(337,200)	(298,122)	(322,545)	(286,786)
Payment of taxes		(1,320,788)	(1,084,137)	(519,566)	(626,582)
Net increase in deposits with the central bank		(6,393)	(1,152)	(6,393)	(1,152)
Cash paid for other operating activities		(4,490,643)	(2,168,651)	(400,570)	(281,380)
Subtotal of cash outflows from operating activities		(11,543,068)	(12,473,282)	(26,201,013)	(12,604,873)
Net Cash Flow from operating activities		41,938,216	53,165,899	7,362,620	5,505,384
II.Cash Flows from Investing Activities					
Proceeds on disposals of fixed assets, intangible assets and other long-term assets		8,488,610	8,578,279	-	166,480
Proceeds on disposals and recovery investments		123,528	1,214,437	-	1,020,000
Cash received from investment income		156,960	267,481	47,542	94,307
Proceeds on disposals of subsidiaries		11,826	552,319	31,776	800
Cash received from other investing activities		-	15,082	-	15,082
Subtotal of cash inflows from investing activities		8,780,924	10,627,598	79,318	1,296,669
Payment for acquisition of fixed assets, intangible assets and other long-term assets		(19,074,330)	(17,201,111)	(127,285)	(14,519)
Payment for acquisition of subsidiaries		-	-	(6,393,890)	(1,700)
Payments for investments		(11,270,300)	(6,580,058)	(190,000)	-
Subtotal of cash outflows from investing activities		(30,344,630)	(23,781,169)	(6,711,175)	(16,219)
Net cash flows from investing activities		(21,563,706)	(13,153,571)	(6,631,857)	1,280,450

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated cash flow statement and cash flow statement (continued)
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	The Group		The Company	
		2024	2023 (Restated)	2024	2023 (Restated)
III. Cash Flows from Financing Activities					
Proceeds from long-term borrowings		30,101,977	15,837,899	14,020,468	9,992,970
Proceeds from issuance of debt securities		13,068,097	6,560,803	11,000,000	-
Subtotal of cash inflows from financing activities		43,170,074	22,398,702	25,020,468	9,992,970
Repayments of long-term borrowings		(5,207,465)	(48,300,850)	(12,514,697)	(12,812,063)
Interset paid on long-term borrowings		(6,839,171)	(5,389,753)	(882,699)	(776,958)
Repayments of debt securities		(31,906,359)	(12,865,905)	(10,000,000)	(6,000,000)
Interest paid on debt securities		(2,550,034)	(2,327,397)	(365,666)	(568,961)
Repayment of lease liabilities		(9,337,612)	(3,271,949)	(8,102)	(6,263)
Subtotal of cash outflows from financing activities		(55,840,641)	(72,155,854)	(23,771,164)	(20,164,245)
Net Cash Flows from financing activities		(12,670,567)	(49,757,152)	1,249,304	(10,171,275)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		213,970	639,348	16,912	17,559
V. Net change in cash and cash equivalents		7,917,913	(9,105,476)	1,996,979	(3,367,882)
Add: Cash and cash equivalents at the beginning of the year		15,673,338	24,778,814	846,954	4,214,836
VI. Cash and cash equivalents at the end of the year	41	23,591,251	15,673,338	2,843,933	846,954

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated statement of changes in owners' equity
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	Attributable to owners of the Company							Non-controlling interests	Total
		Paid-in capital	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total		
Balance at 1 January 2024		18,000,000	493,234	751,232	2,916,739	2,922,506	23,756,910	48,840,621	336,000	49,176,621
Changes in equity during the year										
1. Total comprehensive income		-	-	276,273	-	-	2,395,687	2,671,960	69,218	2,741,178
2. Appropriation of profits										
Appropriation for surplus reserve	27	-	-	-	151,837	-	(151,837)	-	-	-
Appropriation for general reserve	28	-	-	-	-	177,062	(177,062)	-	-	-
Sub-total of 1 to 2 above		-	-	276,273	151,837	177,062	2,066,788	2,671,960	69,218	2,741,178
Balance at 31 December 2024		18,000,000	493,234	1,027,505	3,068,576	3,099,568	25,823,698	51,512,581	405,218	51,917,799

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Consolidated statement of changes in owners' equity
Year ended 31 december 2023(Restated)
(In RMB'000, unless otherwise stated)

	Note IV	Attributable to owners of the Company							Non-controlling interests	Total
		Paid-in capital	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total		
Balance at 31 December 2022		18,000,000	492,527	452,452	2,742,658	2,922,506	16,731,075	41,341,218	-	41,341,218
Business combination involving enterprises under the common control		-	707	14,652	-	-	4,645,806	4,661,165	330,512	4,991,677
Balance at 1 January 2023		18,000,000	493,234	467,104	2,742,658	2,922,506	21,376,881	46,002,383	330,512	46,332,895
Changes in equity during the year										
1. Total comprehensive income		-	-	284,128	-	-	2,554,110	2,838,238	5,488	2,843,726
2. Appropriation of profits										
Appropriation for surplus reserve	27	-	-	-	174,081	-	(174,081)	-	-	-
Subtotal of 1 to 2 above		-	-	284,128	174,081	-	2,380,029	2,838,238	5,488	2,843,726
Balance at 31 December 2023		18,000,000	493,234	751,232	2,916,739	2,922,506	23,756,910	48,840,621	336,000	49,176,621

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Statement of changes in owners' equity
Year ended 31 December 2024
(In RMB'000, unless otherwise stated)

	Note IV	*Paid-in capital*	*Other comprehensive income*	*Surplus reserve*	*General reserve*	*Retained earnings*	*Total*
Balance at 1 January 2024		18,000,000	13,149	1,720,409	2,722,724	4,884,362	27,340,644
Changes in equity during the year							
1. Total comprehensive income		-	24,700	-	-	562,815	587,515
2. Appropriation of profits							
Appropriation for surplus reserve	27	-	-	60,383	-	(60,383)	-
Appropriation for general reserve	28	-	-	-	177,062	(177,062)	-
Subtotal of 1 to 2 above		-	24,700	60,383	177,062	325,370	587,515
Balance at 31 December 2024		18,000,000	37,849	1,780,792	2,899,786	5,209,732	27,928,159

The accompanying notes form part of the financial statements.

ICBC Financial Leasing Co., Ltd.
Statement of changes in owners' equity
Year ended 31 december 2023
(In RMB'000,unless otherwise stated)

	Note IV	*Paid-in capital*	*Other comprehensive income*	*Surplus reserve*	*General reserve*	*Retained earnings*	*Total*
Balance at 1 January 2023		18,000,000	3,452	1,660,846	2,722,724	4,348,299	26,735,321
Changes in equity during the year							
1. Total comprehensive income		-	9,697	-	-	595,626	605,323
2. Appropriation of profits							
Appropriation for surplus reserve	27	-	-	59,563	-	(59,563)	-
Subtotal of 1 to 2 above		-	9,697	59,563	-	536,063	605,323
Balance at 31 December 2023		18,000,000	13,149	1,720,409	2,722,724	4,884,362	27,340,644

The accompanying notes form part of the financial statements.

I. GENERAL

ICBC Financial Leasing Co., Ltd. (the "Company") is a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited ("ICBC"). It obtained Yin Jian Fu [2007] No. 407 Official Reply of the CBRC on Approving the Establishment of Finance Lease Company by ICBC from the former China Banking Regulatory Commission (the "former CBRC") on 18 September 2007 and was incorporated in Tianjin on 26 November 2007.

The Company obtained its financial permit No. M0011H212000001 from the former CBRC. The Company obtained its business license with unified social credit code 91120116710935177L from the Market Supervision Administration of Tianjin Economic-Technological Development Area. The legal representative is Zhang Zhenghua, and the registered office is located at No. 62 Second Street Taida MSD-Tower B1 Floor 20, Tianjin Economic-Technological Development Area. As at 31 December 2024, the Company has had a registered capital of RMB 18,000,000,000.

The principal activities of the Company and its subsidiaries (the "Group") comprise financial leasing business, transfer and assignment of financial leasing assets, fixed-income securities investment business, acceptance of leasing deposits from the lessee, interbank borrowings, borrowings from financial institutions, overseas borrowings, sale and disposal of leased properties, economic consultation, establishment of project companies in domestic bonded areas to carry out financial leasing business, provision of guarantee for external financing of holding subsidiaries and project companies, and other businesses approved by the banking and insurance regulatory authority of the State Council. For items subject to approval according to law, business activities can be carried out only after approval by the relevant authorities.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the going concern basis.

1. Statement of compliance

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises ("ASBE"), which are also referred to as China Accounting Standards ("CAS"), issued by the Ministry of Finance ("MOF") of the People's Republic of China. These financial statements present truly and completely the consolidated and company financial position of the Company as at 31 December 2024, and the consolidated and company financial performance and cash flows of the Company for the year then ended.

2. Accounting year

The accounting year of the Group is from 1 January to 31 December.

3. Functional currency and presentation currency

Company's functional currency is Renminbi ("RMB") and these financial statements are presented in Renminbi. Functional currency is determined by the Company and its subsidiaries on the basis of the currency in which major income and costs are denominated and settled. Some of the Company's subsidiaries have functional currencies that are different from the Company's functional currency. Their financial statements have been translated based on the accounting policy set out in Note III.3.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments which are measured at fair value, the Group adopts the historical cost as the principle of measurement in the financial statements. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements.

Under historical cost measurement, assets are measured at the fair value of the amount of cash and cash equivalents paid at the time of acquisition or the consideration paid. Liabilities are measured in terms of the amount of money or assets actually received as a result of the assumption of a present obligation, or the amount of a contract for the assumption of a current obligation, or the amount of cash or cash equivalents expected to be paid in the ordinary course of business to meet the liability.

2. Business combinations and consolidated financial statements

(a) Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The party that obtains control over other entities at the combination date is the absorbing party, while the other participating entities in the combination is a party being absorbed. The combination date is the date on which the absorbing party effectively obtains control of the party being absorbed.

The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired by the absorbing party and the consideration paid for the combination (or the total face value of shares issued) is adjusted against the capital premium in the capital reserve, with any excess adjusted against retained earnings. Any costs directly attributable to the combination is recognized in profit or loss when incurred.

(b) Consolidated financial statements

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. Control exists when the investor has all of following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where a subsidiary was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the related items in the consolidated financial statements are also adjusted.

When the accounting period and accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period and accounting policies. Intra-group balances and transactions, and any unrealized profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains, unless they represent impairment losses that are recognized in the financial statements.

3. Foreign currency translation

When the Group receives capital in foreign currencies from investors, the capital is translated to RMB at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to RMB at the spot exchange rates or rates that approximate the spot exchange rates on the dates of the transactions. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, such as the average exchange rate of the current period.

Monetary items denominated in foreign currencies are translated to RMB at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognized in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the acquisition and construction of qualifying assets (see Note III.18) and exchange differences arising from changes in book balances other than amortized cost of monetary items classified at fair value through comprehensive income. Non-monetary items that are measured at historical cost in foreign currencies are translated to RMB using the exchange rate at the transaction date. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognized in profit and loss or as other comprehensive income.

Some of the Group's subsidiaries have functional currencies that are different from the Company's functional currency. Assets and liabilities of foreign operations are translated to RMB at the spot exchange rate at the balance sheet date. Equity items, excluding retained earnings and foreign currency translation differences recognized in other comprehensive income, are translated to RMB at the spot exchange rates at the transaction dates. Income

and expenses of foreign operations are translated to RMB at the spot exchange rates or exchange rates similar to spot exchange rates at the transaction dates. The resulting translation differences are recognized in other comprehensive income. The translation differences accumulated in other comprehensive income with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

The effect of exchange rate changes on cash and cash equivalents is presented separately in the cash flow statement.

4. Cash and cash equivalents

Cash and cash equivalents refer to short-term highly liquid assets, which are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents comprise cash, unrestricted balances with the central bank and bank balances with original maturity of less than three months, etc.

5. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Initial recognition of financial instruments

At initial recognition, financial assets of the Group are classified into three categories, i.e., financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income ("FVTOCI") and financial assets measured at fair value through profit or loss ("FVTPL").

At initial recognition, financial liabilities of the Group are classified into two categories, i.e., financial liabilities measured at FVTPL and other financial liabilities.

Financial assets and financial liabilities are measured initially at fair value. For financial assets and financial liabilities measured at FVTPL, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs.

(b) Classification and subsequent measurement of financial assets

Classification of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, financial assets are classified into three categories, i.e., as measured at amortized cost, at FVTOCI, or at FVTPL.

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

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

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

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably designate to present subsequent changes in the investment's fair value in other comprehensive income. This designation is made on an investment-by-investment basis and the underlying investment meets the definition of an equity instrument from the perspective of the issuer.

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

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Subsequent measurement of financial assets

Financial assets measured at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, unless the financial assets are part of a hedging relationship, including any interest or dividend income, are recognized in profit or loss.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost and is not

part of a hedging relationship shall be recognized in profit or loss when the financial asset is derecognized, reclassified, amortized using the effective interest or impaired.

Investments in debt instruments measured at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment losses and foreign exchange gains and losses are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Investments in equity instruments measured at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(c) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL and other financial liabilities.

Financial liabilities measured at FVTPL

A financial liability is classified as measured at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

A financial liability may be designated as at FVTPL upon initial recognition if:

(1) such designation eliminates or significantly reduces accounting mismatch;

(2) the Group makes management and performance evaluation on a fair value basis for a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities, in accordance with the Group's formally documented risk management or investment strategy, and reports to key management personnel on that basis;

(3) the qualified hybrid contract that contains embedded derivatives.

Financial liabilities measured at FVTPL are subsequently measured at fair value and gains and losses (including any interest expense) are recognized in profit or loss, unless the financial liabilities are part of a hedging relationship.

For the financial liabilities designated as at FVTPL, the amount of changes in the fair value of the financial liability arising from changes in the Group's own credit risk should be included in other comprehensive income; other changes in fair value of the financial liabilities are recognized in current profit or loss. If the treatment of the impact of changes in the financial liabilities' own credit risk will create or enlarge the accounting mismatch in profit or loss in accordance with (i), the Group recognizes the entire gain or loss of the financial liabilities (including the amount of the impact of changes in its own credit risk) in profit and loss. When these liabilities are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

(d) Presentation of financial assets and financial liabilities

Financial assets and financial liabilities are generally presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognized amounts; and
- the Group intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(e) Derecognition of financial assets and financial liabilities

Derecognition of financial assets

Financial asset is derecognized when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where the Group has transferred its rights to receive cash flows from an asset or has retained its rights to receive cash flows from the asset but assumed the obligation to pay those cash flows to the eventual recipients and meanwhile meet the conditions of the transfer of financial assets, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the amount of consideration that the Group could be required to repay.

The derecognition of financial assets sold on condition of repurchase is determined by the economic substance of the transaction. If a financial asset is sold under an agreement to repurchase the same or substantially the same asset at a fixed price or at the sale price (in case of transferor sells such financial asset) plus a reasonable return, the Group will not derecognize the asset. If a financial asset is sold together with an option to repurchase the financial asset at its fair value at the time of repurchase, the Group will derecognize the financial asset.

Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

6. Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to profit or loss.

For less complex derivative products, the fair values are principally determined by valuation models which are commonly used by market participants. Inputs to valuation models are determined from observable market data wherever possible, including foreign exchange spot and forward rates and interest rate yield curves. For more complex derivative products, the fair values are mainly determined by quoted prices from dealers.

7. Provision for impairment of assets

(a) Impairment of financial assets

The Group recognizes loss allowances for expected credit loss ("ECL") on:

- Financial assets measured at amortized cost;
- Investments in debt instruments measured at FVTOCI;
- Lease receivables;
- Loan commitments and financial guarantee contracts.

Other financial assets measured at fair value, including investments in debt instruments and equity instruments measured at FVTPL, investments in equity instruments designated at FVTOCI and derivative financial assets, are not subject to the ECL assessment.

Expected credit loss ("ECL")

The Group measures ECLs of related financial assets based on the methods below:

- For financial assets and lease receivables, credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive;
- For financial assets that are not purchased or originated credit-impaired but are credit-impaired as at the balance sheet date, credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

The Group's method of measuring expected credit losses of financial instruments reflects the following elements: (i) unbiased weighted average probability determined by the results of evaluating a range of possible outcomes; (ii) time value of money; (iii) reasonable and evidence-based information about past events, current conditions, and future economic forecasts that are available at no additional cost or effort at the end of the reporting period.

The maximum period considered when measuring ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the end of the reporting period (or the expected life if the expected life of the instrument is less than 12 months).

The Group measures the loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- Financial instruments that are determined to have low credit risk at the reporting date; and
- Financial instruments for which credit risk has not increased significantly since initial recognition.

At the balance sheet date, if the financial instrument is considered to have low credit risk, the Group assumes that the credit risk of such financial instrument has not significantly increase since initial recognition. If the risk of default of the financial instrument is low, the debtor has strong ability to fulfill contractual obligations in the short term and the negative change in economic situation and operational environment in the longer period does not necessarily lower the debtor's fulfillment of contractual obligations, then such financial instrument is considered to have low credit risk.

The Group classifies finance lease receivable into following three stages and makes provisions for expected credit losses accordingly, depending on whether credit risk on that financial instrument has increased significantly and whether the assets have been credit-impared since initial recognition.

Stage 1: A financial instrument of which the credit risk has not significantly increase since initial recognition. The amount equal to 12-month expected credit losses is recognized as loss allowance.

Stage 2: A financial instrument with a significant increase in credit risk since initial recognition but is not considered to be credit-impaired. The amount equal to lifetime expected credit losses is recognized as loss allowance. Refer to Note VI.1 for the description of how the Group determines when a significant increase in credit risk has occurred.

Stage 3: A financial instrument is considered to be credit-impaired as at the end of the reporting period. The amount equal to lifetime expected credit losses is recognized as loss allowance. Refer to Note VI.1 for the definition of credit-impaired financial assets.

Presentation of allowance for ECL

ECLs are remeasured at the end of each reporting period to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for financial instruments measured at amortized cost with a corresponding adjustment to their carrying amount through a loss allowance account; for investments in debt instruments that are measured at FVTOCI, the loss allowance is recognized in other comprehensive income and is not offset against the carrying amount of the financial asset.

Write-off

The book value of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b) Impairment of other assets

The carrying amounts of the following assets are reviewed at each balance sheet date based on the internal and external sources of information to determine whether there is any indication of impairment:

- fixed assets
- right-of-use assets
- intangible assets
- construction in progress
- long-term deferred expenses
- long-term equity investments, etc.

The Group performs impairment tests to estimate the recoverable amount of the asset if any indication exists that an asset may be impaired.

The recoverable amount of an asset is the higher of its fair value (see Note III.12) less costs to sell and its present value of expected future cash flows.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate.

If the estimated result indicates the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. An allowance for impairment of the asset is recognized accordingly.

Once an impairment loss is recognized, it is not reversed in a subsequent period.

8. Leases

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity

portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- the lessee has the right to direct the use of the asset.

If a contract contains lease and non-lease components, the Group applies practical expedient not to separate non-lease components from lease components for the leases in which the Group is a lessee, and instead accounts for the lease components and any associated non-lease components as a single lease component; the Group elects to separate the lease and non-lease components for the leases in which the Group is a lessor, and allocates the consideration in the contract to each lease and non-lease component on their relative aggregate standard-alone selling price basis.

(a) The Group as a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note III.7(b).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Each institution of the Group uses interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment as incremental borrowing rate.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Group remeasures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;

- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

(b) The Group as a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Group is a sub-lessor, it assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies practical expedient described above, then it classifies the sub-lease as an operating lease.

Under a finance lease, at the commencement date, the Group recognizes the finance lease receivable and derecognizes the finance lease asset. The finance lease receivable is initially measured at an amount equal to the net investment in the lease. The net investment in the lease is measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease.

The Group recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return. The derecognition and impairment of the finance lease receivable are recognized in accordance with the accounting policy in Note III.5(e) and Note III.7(a). Variable lease payments not included in the measurement of net investment in the lease are recognized in profit or loss in the period in which they are incurred.

Lease receipts from operating leases is recognized as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalized and subsequently amortized in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognized in profit or loss in the period in which they are incurred.

9. Long-term equity investments

(a) Investments in subsidiaries

The Group's long-term equity investments in subsidiaries are accounted for using the cost method, under which long-term equity investments are initially measured at cost. For the long-term equity investments acquired through a business combination, the initial cost of a long-term equity investment acquired through a business combination involving entities under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. The initial cost of a long-term equity investment acquired other than through a business combination, the initial cost is determined as follows: if the Group acquires the investment by cash, the long-term equity investment is initially recognized at the aggregate of the cash paid, the initial direct costs, the tax, and any other costs that are directly attributable; if the investment is acquired by issuing equity securities, the long-term equity investment is initially recognized at the fair value of the equity securities issued. The investments in subsidiaries are stated in the balance sheet at cost less accumulated impairment losses (refer to Note III.7(b)).

(b) Investments in joint ventures and associates

A joint venture is an arrangement whereby the Group and other parties have joint control and rights to the net assets of the arrangement. An associate is an enterprise over which the Group has significant influence.

An investment in a joint venture or an associate is initially recognised at the amount of cash paid if the Group acquires the investment by cash.

An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale.

After acquiring the investment, the Group recognises its share of the investee’s profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group’s share of the investee’s owners’ equity, other than those arising from the investee’s net profit or loss, other comprehensive income or profit distribution (“other changes in owners’ equity”), are recognised directly in the Group’s equity, and the carrying amount of the investment is adjusted accordingly.

Unrealised profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group’s interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealised gains, unless they represent impairment losses that are recognised in full in the financial statements.

The Group discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group’s net investment in the joint venture or associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the joint venture or associate subsequently reports net profits, the

Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

10. Fixed assets and construction in progress

Fixed assets represent the tangible assets held by the Group for rental to others or for administrative purposes with useful lives over one accounting year. The Group's fixed assets comprise operating lease assets, properties and buildings, motor vehicles, office equipment and computer, etc.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see Note III.7(b)). Construction in progress is stated in the balance sheet at cost less impairment losses (see Note III.7(b)).

The initial cost of a purchased fixed asset comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use. The initial cost of self-constructed assets includes the cost of materials, direct labour, capitalized borrowing costs (see Note III.18), and any other costs directly attributable to bringing the asset to working condition for its intended use.

Construction in progress is transferred to fixed assets when it is ready for its intended use. No depreciation is provided against construction in progress.

If different depreciation rates or methods have been applied to the related parts of an item of fixed assets with different useful lives or providing benefits to the Group in different ways, each part is recognized as a separate fixed asset.

Any subsequent costs including the cost of replacing part of an item of fixed assets are recognized as assets when it is probable that the economic benefits associated with the costs will flow to the Group, and the carrying amount of the replaced part is derecognized. The costs of the day-to-day maintenance of fixed assets are recognized in profit or loss as incurred.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

The cost of a fixed asset, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful life, unless the fixed asset is classified as held for sale. The estimated useful lives, estimated net residual value rates and depreciation rates of each class of fixed assets are as follows:

	Estimated useful life	Estimated net residual value rate	Annual depreciation rate
Properties and buildings	10 - 28 years	0.00% - 3.00%	3.50% - 10.00%
Office equipment and computer	3-5 years	-	20.00% - 33.33%
Motor vehicle	6 years	-	16.67%

The fixed assets under operating lease of the Group are aircrafts, vessels and ocean engineering equipment. The estimated useful life of the aircrafts is 20 - 25 years and the estimated net residual values expressed as a percentage of cost is 5% - 15%. The estimated

useful life of the vessels is 18 - 25 years and the estimated net residual values expressed as a percentage of cost is 0% - 5%. The estimated useful life of the ocean engineering equipment is 25 years and the estimated net residual values expressed as a percentage of cost is 0%.

When purchasing an aircraft with an existing lease, the Group determines, measures and accounts for the lease premium asset, as well as the maintenance rights asset arising from the existing lease acquired.

Lease premium assets represent the value of acquired leases where the rentals of the lease contracts at the date of acquisition are significantly higher than market level. Lease premium assets are amortized on a straight-line basis over the remaining lease term and are presented in other assets.

Maintenance rights assets represent the fair value of the acquired contractual rights embedded in the lease to receive the aircraft in a higher state of maintenance at the date of acquisition compared to the aircraft's substantial state of maintenance. Amortization of maintenance rights assets is triggered by a maintenance event. Upon the occurrence of a qualified maintenance event, the cost of the portion associated with the maintenance event is capitalized to the cost of the aircraft and depreciated in accordance with the Group's depreciation policy. At the end of the lease, any remaining maintenance rights assets are offset against the maintenance deposit from the lessee or the early termination indemnity and any surplus is recognized as a gain or loss. Maintenance right assets are presented in other assets.

Useful lives, residual values and depreciation methods are reviewed at least at each year-end.

11. Long-term deferred expenses

Expenditure incurred with beneficial period over one year is recognized as long-term deferred expenses. Long-term deferred expenses are stated in the balance sheet at cost less accumulated amortization and impairment losses (see Note III.7(b)). The amortization period of long-term deferred expenses shall be determined according to the shorter of the contract or agreement period and the beneficial period. Long-term prepaid expenses are amortized using the straight-line method over the expected periods.

12. Fair value measurement

Unless otherwise specified, the Group determines fair value measurement as follows:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

13. Employee benefits

(a) Short-term employee benefits

Employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund as well as labour union fee, staff and workers' education fee, measured at the amount incurred or accrued at the applicable benchmarks and rates, are recognized as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(b) Post-employment benefits - defined contribution plans

Pursuant to the relevant laws and regulations of the People's Republic of China, the Group participated in the basic pension insurance and unemployment insurance plans in the social insurance system established and managed by government organizations. The Group makes contributions to basic pension insurance and unemployment insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance and unemployment insurance contributions are recognized as relevant liabilities, with a corresponding charge to the profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

In addition, employees in Chinese Mainland also participate in a defined contribution retirement benefit plan established by the Group (the "Annuity Plan"). The Group and its employees are required to contribute a certain percentage of the employees' previous year basic salaries to the Annuity Plan. The Group pays a fixed contribution into the Annuity Plan and has no obligation to pay further contributions if the Annuity Plan does not hold sufficient assets to pay all employee benefits. The contribution is charged to profit or loss when it is incurred.

14. Income tax

Income tax comprises current and deferred income tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination or items recognized directly in equity (including other comprehensive income).

Current tax is the expected tax payable calculated at the applicable tax rate on taxable income for the year, plus any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset if the Group has a legally enforceable right to set them off and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible tax losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a

transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

At the balance sheet date, the Group measures the carrying amount of deferred tax assets and deferred tax liabilities based on the manner in which they are expected to be realized or settled, in accordance with the provisions of enacted tax laws, at the tax rates that are expected to apply in the period in which the assets are recovered or the liabilities are settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of the deferred tax asset to be utilized. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and liabilities are offset if all the following conditions are met:

- the taxable entity has a legally enforceable right to offset current tax liabilities and assets, and;
- they relate to income taxes levied by the same tax authority on either: the same taxable entity; or different taxable entities which intend either to settle the current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

15. Provisions

A provision is recognized for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid-point of that range. In other cases, the best estimate is determined as follows:

(1) Where the contingency involves a single item, the best estimate is the most likely outcome.
(2) Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

16. Revenue recognition

Revenue is the gross inflow of economic benefit arising in the course of the Group's ordinary activities when those inflows result in increases in equity, other than increases relating to contributions from owners.

(a) Interest income

For all financial instruments measured at amortized cost and interest-generating financial instruments classified as financial assets measured at FVTOCI, interest income is recorded at the effective interest rate, which is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, where appropriate, to the gross carrying amount of the financial asset, or the amortized cost of financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not expected credit losses.

The Group recognizes interest income by applying the effective interest rate to the book value of financial assets, except for:

- For purchased or originated credit-impaired financial assets, whose interest income is calculated, since initial recognition, by applying the credit adjusted effective interest rate to their amortized cost; and
- Financial assets that are not purchased or originated credit-impaired but have subsequently become credit-impaired, whose interest income is calculated by applying the effective interest rate to their amortized cost (i.e. book value net of the provision of ECL). If, in a subsequent period, the financial assets improve their qualities so that they are no longer credit-impaired and the improvement in credit quality is related objectively to a certain event occurring after the application of the above-mentioned rules, then the interest income is calculated based on their book value.

The Group recognizes interest income under finance leases over the lease term, based on a pattern reflecting a constant periodic rate. Variable lease payments not included in the measurement of net investment in the lease are recognized in profit or loss in the period in which they are incurred.

(b) Operating lease income

Please refer to Note III.8(b).

(c) Fee and commission income

The Group earns fee and commission income from a diverse range of services it provides to its customers. The fee and commission income recognized by the Group reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to customers, and income is recognized when its performance obligation in contracts is satisfied.

(1) The Group recognizes revenue over the service period by measuring the progress towards the complete satisfaction of a performance obligation, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The customer controls the service provided by the Group in the course of performance; or

- The services provided by the Group in the performance process are irreplaceable, and the Group has an enforceable right to payment for performance completed to date.

(2) In other cases, the Group recognizes revenue at a point in time at which a customer obtains control of the promised services.

(d) Other income

Other income is recognized on an accrual basis.

17. Goverment grants

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contributions from the government as an investor in the Group.

A government grant is recognized when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income and recognized in other income or non-operating income over the periods in which the related costs or losses are recognized. Otherwise, the grant is included in other income or non-operating income directly.

18. Borrowing costs

Borrowing costs incurred directly attributable to the acquisition and construction of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as interest expenses when incurred.

During the capitalization period, the amount of interest (including amortization of any discount or premium on borrowing) to be capitalized in each accounting period is determined as follows:

- Where funds are borrowed specifically for the acquisition and construction of a qualifying asset, the amount of interest to be capitalized is the interest expense calculated using effective interest rates during the period less any interest income earned from depositing the borrowed funds or any investment income on the temporary investment of those funds before being used on the asset.
- To the extent that the Group borrows funds generally and uses them for the acquisition and construction of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditure on the asset over the above amounts of specific borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

The capitalization period is the period from the date of commencement of capitalization of borrowing costs to the date of cessation of capitalization, excluding any period over which capitalization is suspended. Capitalization of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities of acquisition and construction that are necessary to prepare the asset for its intended use or sale are in progress, and ceases when the assets become ready for their intended use or sale. Capitalization of borrowing costs is suspended when the acquisition and construction activities are interrupted abnormally for a period of more than three months.

19. Profit distributions

Distributions of profit proposed in the profit distribution plan to be approved after the balance sheet date are not recognized as a liability at the balance sheet date but are disclosed in the notes separately.

20. Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organization, management requirements and internal reporting system after taking the materiality principle into account. Two or more operating segments may be aggregated into a single operating segment if the segments have the similar economic characteristics and are same or similar in respect of the nature of each segment's products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. The Group determines reporting segments on an operating segment basis, taking into account the materiality principle.

Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

21. Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

22. Taxation

(a) The main taxes applicable to the Group in relation to the rendering of services include enterprise income tax, value added tax (VAT), urban maintenance and construction tax (UMCT), education surcharges and etc. The major taxes of the Group's business in the PRC and the relevant tax rates are set out below:

Category	*Tax basis and applicable rate*
Enterprise income tax	25% of taxable income
VAT	The difference between the output tax calculated at the applicable tax rate of 3% - 13% on taxable income under the tax law and the input tax allowed for deduction in the current period
UMCR	5% - 7% of VAT payable
Education surcharges	3% of VAT payable
Local education surcharges	2% of VAT payable

(b) The income tax in the overseas places where the Group mainly operates is paid at 12.5% and 16.5% of taxable income. The Group's other overseas taxes are paid in accordance with local tax laws and applicable tax rates.

23. Significant accounting estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Judgments about key assumptions and uncertainties involved in estimates are reviewed on an ongoing basis. The impact of changes in accounting estimates shall be recognized in the period in which the changes occur and in any future periods affected.

(a) Measurement of expected credit loss

The measurement of ECLs for financial assets measured at amortized cost and investments in debt instruments at FVTOCI and loan commitments and financial guarantee contracts, is an area that requires the use of complex models and a large number of assumptions about future macro-economic conditions and credit behavior (the likelihood of customers defaulting and the resulting losses). Refer to Note VI.1 for the inputs, assumptions and estimation techniques used in measuring ECL.

(b) Impairment of non-financial assets

As described in Note III.7(b), assets such as fixed assets, right-of-use assets, intangible assets and construction in progress are reviewed at each balance sheet date to determine whether the carrying amount exceeds the recoverable amount of the assets. If any such indication exists, an impairment loss is recognized.

The recoverable amount of an asset (asset group) is the greater of its fair value less costs to sell and its present value of expected future cash flows. In assessing the present value of expected future cash flows, significant judgments are exercised over the asset's cash inflow, selling price, related operating expenses and discount rate to calculate the present value. All relevant materials which can be obtained are used for estimation of the recoverable amount, including the estimation of cash inflow, selling price and related operating expenses based on reasonable and supportable assumptions.

(c) Depreciation of fixed assets

As described in Note III.10, fixed assets are depreciated on a straight-line basis over their useful lives after taking into account their residual value. The useful lives of the fixed assets are regularly reviewed to determine the depreciation costs charged in each reporting period. The useful lives of the assets are determined based on historical experience of similar assets and the estimated technical changes. If there have been significant changes in the factors used to determine the depreciation, the rate of depreciation is revised prospectively.

(d) Income tax

Determining income tax provisions requires the Group to estimate the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions in accordance with prevailing tax regulations and makes tax provisions accordingly. In addition, deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. This requires significant judgements on the tax treatments of certain transactions and also significant estimates on the probability that adequate future taxable profits will be available for the deferred income tax assets to be recovered.

24. Description of changes in accounting policies

In 2024, the Group has adopted the following revised accounting requirements and guidance under CASs newly issued by the MOF.

- “Classification of Liabilities as Current or Non-current” in CAS Bulletin No. 17 (Caikuai [2023] No. 21) (“CAS Bulletin No. 17”)

- “The Accounting Treatment of Assurance-type Warranty that is not a Single Performance Obligation” in CAS Bulletin No. 18 (Caikuai [2024] No. 24) (“CAS Bulletin No. 18”).

The adoption of the above provisions has not had a significant impact on the Group's financial position and operating results.

25. Scope of consolidated financial statements

In 2024, the basic situation of business combination under the common control of the Group is as follows:

In 2024, ICBC Maritime Financial Leasing Company Limited, a subsidiary of the Company, signed two Share Purchase Agreements with ICBC International Leasing Company Limited ("ICBC International Leasing Co., Ltd."). ICBC Maritime Financial Leasing Company Limited purchased 100% of its shares in ICBCIL Finance Co. Limited and ICIL Maritime Leasing Company Limited at US $1 and HK $1 respectively. After the completion of the transaction, the Group has control over the above two entities.

Judgment basis for business combination under the common control: before and after business combination, ICBCIL Finance Co. Limited, ICIL Maritime Leasing Company Limited and the Company are under the final control of ICBC.

Refer to Note IV.8 "Long-term equity investments and scope of consolidated financial statements" for the subsidiaries included in the consolidated financial statements as at 31 December 2024.

IV. NOTES TO THE FINANCIAL STATEMENTS

1. Deposits with the central bank

	The Group and the Company	
	31 December 2024	*31 December 2023*
Mandatory deposit reserves with the PBOC (1)	19,614	13,221
Excess deposit reserves with the PBOC (2)	5,557	3,996
Total	25,171	17,217

(1) In accordance with the People's Bank of China ("PBOC")'s Circular on Including Security Deposit in the Scope of Deposit Reserve (Yin Fa [2011] No.209), the Company set aside deposit reserve for security deposit. The statutory deposit reserve cannot be used for the Company's day-to-day operations. As at 31 December 2024, the Company applied 5% for payment of RMB deposit reserve and 4% for payment of USD deposit reserve (31 December 2023: 5% for payment of RMB deposit reserve and 4% for payment of USD deposit reserve).

(2) Excess deposit reserves with the PBOC include funds for the purpose of cash settlement and other kinds of unrestricted deposits.

2. Cash and bank balances

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Bank deposits	41,180,494	22,207,463	2,838,376	842,958
Interest receivable	235,022	40,818	-	-
Less: Allowance for impairment losses	(12,056)	(8,122)	(318)	(385)
Total	41,403,460	22,240,159	2,838,058	842,573

As at 31 December 2024, the balance of the Group's fixed deposits pledged for borrowed funds was RMB 17,594,800 thousand (31 December 2023: RMB 6,359,000 thousand).

3. Derivative financial instruments

The Group

	31 December 2024		
	Nominal amount	*Assets*	*Liabilities*
Interest rate swap	2,156,520	29,867	-

	31 December 2023		
	Nominal amount	*Assets*	*Liabilities*
Interest rate swap	4,249,620	91,574	64,095

4. Lease receivables

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Finance lease receivables (1)	36,433,083	40,466,125	12,326,390	14,532,925
Sale-and-leaseback receivables (2)	132,415,172	136,212,439	75,573,094	76,038,323
Less: Allowance for impairment losses (4)	(3,783,280)	(4,572,989)	(2,695,038)	(3,249,254)
Sub-total	165,064,975	172,105,575	85,204,446	87,321,994
Operating lease receivables (3)	4,460,732	4,110,992	139	-
Less: Allowance for impairment losses (4)	(2,993,461)	(2,391,362)	-	-
Sub-total	1,467,271	1,719,630	139	-
Total	166,532,246	173,825,205	85,204,585	87,321,994

(1) The minimum finance lease receipts to be received by the Group and the Company under contractual agreements for future accounting years are as follows:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Within 1 year (inclusive)	7,008,928	7,268,882	2,907,953	3,325,985
1 to 2 years (inclusive)	8,167,407	7,787,163	4,140,036	4,114,085
2 to 3 years (inclusive)	5,276,284	6,456,586	2,018,123	2,645,417
3 to 4 years (inclusive)	3,952,110	4,875,269	1,138,943	1,647,950
4 to 5 years (inclusive)	2,563,526	3,840,312	401,967	1,181,947
Over 5 years	17,694,995	19,665,460	2,817,297	2,906,644
Sub-total	44,663,250	49,893,672	13,424,319	15,822,028
Less: Unrealized finance income	(8,230,167)	(9,427,547)	(1,097,929)	(1,289,103)
Total	36,433,083	40,466,125	12,326,390	14,532,925

(2) The minimum sale-and-leaseback receipts to be received by the Group and the Company under contractual agreements for future accounting years are as follows:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Within 1 year (inclusive)	26,297,080	26,154,321	18,383,822	16,975,234
1 to 2 years (inclusive)	30,400,990	24,640,620	19,451,552	14,562,557
2 to 3 years (inclusive)	20,748,446	22,148,868	12,110,290	12,671,494
3 to 4 years (inclusive)	19,983,741	22,043,869	8,687,441	11,674,709
4 to 5 years (inclusive)	15,337,392	19,666,831	6,892,672	8,466,344
Over 5 years	45,777,147	51,222,556	18,905,329	22,287,804
Sub-total	158,544,796	165,877,065	84,431,106	86,638,142
Less: Unrealized finance income	(26,129,624)	(29,664,626)	(8,858,012)	(10,599,819)
Total	132,415,172	136,212,439	75,573,094	76,038,323

(3) As at 31 December 2024 and 31 December 2023, the undiscounted lease receivables by the Group and the Company in future periods under non-cancellable operating leases with its lessee are as follows:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Within 1 year (inclusive)	17,801,661	17,925,883	10,804	-
1 to 2 years (inclusive)	15,941,758	17,217,747	10,734	-
2 to 3 years (inclusive)	14,078,614	15,849,058	10,665	-
3 to 4 years (inclusive)	12,735,633	13,443,641	10,595	-
4 to 5 years (inclusive)	11,759,639	12,363,906	10,497	-
Over 5 years	47,128,792	55,866,786	88,685	-
Total	119,446,097	132,667,021	141,980	-

(4) The movements of allowance for impairment losses are set out as below:

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	2,188,265	1,385,552	3,390,534	6,964,351
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	-	232,536	(232,536)	-
- to Stage 3	-	(7,196)	7,196	-
(Reversal)/addition during the year	(269,878)	(850,327)	1,040,663	(79,542)
Written-off and transferred out during the year	-	-	(165,090)	(165,090)
Recoveries of previously written-off	-	-	2,651	2,651
Others	11,962	5,652	36,757	54,371
Balance at 31 December 2024	1,930,349	766,217	4,080,175	6,776,741

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2023	1,539,273	1,934,872	3,549,723	7,023,868
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	(24,455)	593,922	(569,467)	-
- to Stage 3	-	(129,571)	129,571	-
Addition/(reversal) during the year	658,531	(1,020,895)	221,520	(140,844)
Written-off and transferred out during the year	-	-	(10,149)	(10,149)
Recoveries of previously written-off	-	-	28,703	28,703
Others	14,916	7,224	40,633	62,773
Balance at 31 December 2023	2,188,265	1,385,552	3,390,534	6,964,351

	The Company			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	1,085,894	991,911	1,171,449	3,249,254
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	-	-	-	-
- to Stage 3	-	-	-	-
(Reversal)/addition during the year	(77,418)	(643,312)	328,953	(391,777)
Written-off and transferred out during the year	-	-	(165,090)	(165,090)
Recoveries of previously written-off	-	-	2,651	2,651
Balance at 31 December 2024	1,008,476	348,599	1,337,963	2,695,038

	The Company			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2023	612,621	1,257,517	1,098,676	2,968,814
Transfer:				
- to Stage 1	-	-	-	-
- to Stage 2	(24,455)	423,099	(398,644)	-
- to Stage 3	-	(29,996)	29,996	-
Addition/(reversal) during the year	497,728	(658,709)	448,499	287,518
Written-off and transferred out during the year	-	-	(9,910)	(9,910)
Recoveries of previously written-off	-	-	2,832	2,832
Balance at 31 December 2023	1,085,894	991,911	1,171,449	3,249,254

(5) As at 31 December 2024, lease receivables with factoring contract with recourse of the Group amounted to RMB 18,822,512 thousand (31 December 2023: RMB 16,437,189 thousand).

5. Other debt investments

(1) Bond investments measured at FVTOCI by the type of issuers are as follows:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Goverment and the central bank	2,266,808	2,046,433	2,266,808	2,046,433
Enterprises	623,390	802,956	-	-
Total	2,890,198	2,849,389	2,266,808	2,046,433

As at 31 December 2024, the Group and the Company had bond investments pledged for transactions under repurchase agreements amounting to RMB 2,266,808 thousand (31 December 2023: RMB 1,947,000 thousand).

(2) The changes in the impairment provision are as follows:

Allowance for impairment losses on bond investments measured at FVTOCI is recognized in other comprehensive income without decreasing the carrying amount of financial investments presented in the consolidated statement of financial position, and any impairment gain or loss is recognized in the profit or loss. Movements of the allowance for impairment losses on bond investments measured at FVTOCI are as follows:

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	37,345	-	-	37,345
Charge for the year	788	62,130	-	62,918
Other Changes	6	1,019	-	1,025
Balance at 31 December 2024	38,139	63,149	-	101,288

	The Group			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2023	30,887	-	-	30,887
Charge for the year	5,888	-	-	5,888
Other Changes	570	-	-	570
Balance at 31 December 2023	37,345	-	-	37,345

	The Company			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2024	-	-	-	-
Reverse for the year	-	-	-	-
Balance at 31 December 2024	-	-	-	-

	The Company			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
Balance at 1 January 2023	298	-	-	298
Reverse for the year	(298)	-	-	(298)
Balance at 31 December 2023	-	-	-	-

6. Investments in other equity instruments

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Investments in equity instruments measured at FVTOCI	239,832	233,347	42,107	38,998

The Group designated non-held-for-trading equity investments as investments in equity instruments measured at FVTOCI. During 2024, the Group and the Company did not dispose of the equity investments (2023: Nil), with no accumulated gains or losses on transfer from other comprehensive income to retained profits (2023: Nil).

7. Financial assets held for trading

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Financial assets held for trading	838,372	988,126	-	-

8. Long-term equity investments and scope of consolidated financial statements

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Investments in subsidiaries	-	-	9,485,025	3,091,735
Investments in joint ventures	54,685	28,893	-	-
Investments in associates	29,521	29,087	-	-
Total	84,206	57,980	9,485,025	3,091,735

As at 31 December 2024, the primary subsidiaries included in the scope of consolidation are as follows:

				The Company	
Name of investee	*Place of registration*	*Registered capital*	*Nature of business*	*% of equity interest held by the Company*	*% of voting right held by the Company*
ICBC Aviation Leasing Company Limited	Hong Kong	USD 1.2 billion	Finance lease	100%	100%
ICBC Maritime Financial Leasing Company Limited	Hong Kong	USD 900 million	Finance lease	100%	100%
ICBC Financial Leasing (Beijing) Co., Ltd	Beijing	RMB 1 million	Finance lease	100%	100%
ICBC Aviation (Zhoushan) Aircraft Leasing Co., Ltd	Zhoushan	RMB 0.1 million	Finance lease	100%	100%
Gongyinwuju (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Wuju No.1 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.4 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Wuju No.5 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyue (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshang (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianrong (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlang (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiankang (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjiao (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianao (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianbing (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianchen (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianchi (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianchuan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiandan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianfeng (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangang (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhu (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianhui (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianji (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjin (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjing (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianjiu (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjun (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianjun (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlian (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianliang (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianling (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlong (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianlu (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmao (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmeng (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmiao (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmin (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianming (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianmu (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiannan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiannuo (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianqi (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianqian (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianqing (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%

				The Company	
Name of investee	*Place of registration*	*Registered capital*	*Nature of business*	*% of equity interest held by the Company*	*% of voting right held by the Company*
Tianquan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshuang (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianshun (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiansong (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianwu (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxi (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxiao (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxin (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxu (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxuan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianxuan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyang (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianye (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianyi (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyi (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyong (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyu (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tianyuan (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianyun (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tianzhen (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.1 (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.1 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.1 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.2 (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.2 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.2 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.3 (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.3 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.3 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.4 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.4 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.4 (Xiamen) Aircraft Leasing Co., Ltd	Xiamen	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.5 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.5 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.6 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.6 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.7 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.8 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.7 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.8 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.11 (Guangzhou) Aircraft Leasing Co., Ltd	Guangzhou	RMB 0.1 million	Finance lease	100%	100%
Tianhao No.9 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.10 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.11 (Beijing) Finance Leasing Co., Ltd	Beijing	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.56 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.57 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.58 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.59 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.60 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.61 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.62 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.65 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.66 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.67 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.68 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.69 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.70 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.71 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.72 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.74 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.88 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.90 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.91 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.92 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.94 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.95 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%

				The Company	
Name of investee	Place of registration	Registered capital	Nature of business	% of equity interest held by the Company	% of voting right held by the Company
Tiangao No.96 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.97 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.98 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.99 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.100 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.101 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.102 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.103 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.104 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.105 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.106 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.107 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.108 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.109 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.120 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Tiangao No.121 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.1 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.2 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.3 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.4 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.5 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.6 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.8 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.9 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.10 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.11 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.12 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.13 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.14 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.15 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.16 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.17 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.18 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.19 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.30 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.31 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.32 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.33 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.34 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.35 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.36 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.37 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.38 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.39 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.40 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.43 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.44 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.45 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.46 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.47 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.48 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.49 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.50 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.51 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.52 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.54 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Gongyin Tiangao No.55 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haiyin (Yangpu) Leasing Co., Ltd	Danzhou	RMB 0.1 million	Finance lease	100%	100%
Haifa (Yangpu) Leasing Co., Ltd	Danzhou	RMB 0.1 million	Finance lease	100%	100%
Haifeng No.1 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.1 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.2 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.3 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.4 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.5 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.6 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.7 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%

				The Company	
Name of investee	*Place of registration*	*Registered capital*	*Nature of business*	*% of equity interest held by the Company*	*% of voting right held by the Company*
Haijin No.8 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.9 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.10 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.11 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.12 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.13 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.14 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.15 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.16 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.17 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.18 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.19 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.21 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.22 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.23 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.24 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.25 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.26 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.27 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.28 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.29 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.30 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.31 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.32 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.33 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.34 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.35 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.36 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.38 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.39 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.40 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.41 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.42 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.43 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.44 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.45 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.50 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.51 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijin No.60 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haikuo Huyi (Shanghai) Ship Leasing Co., Ltd	Shanghai	RMB 0.1 million	Finance lease	100%	100%
Haikuo Huer (Shanghai) Ship Leasing Co., Ltd	Shanghai	RMB 0.1 million	Finance lease	100%	100%
Haikuo Husan (Shanghai) Ship Leasing Co., Ltd	Shanghai	RMB 0.1 million	Finance lease	100%	100%
Haijiang (Tianjin) Ship Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haijiang No.2 (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Haitao (Tianjin) Ship Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Yunde (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Yunlong (Tianjin) Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%
Shenzhen Qianhai Tiangao No.1 Aircraft Leasing Co., Ltd	Shenzhen	RMB 0.1 million	Finance lease	100%	100%
Fenghuang No.1 (Chengdu) Machinery and Equipment Leasing Co., Ltd	Chengdu	RMB 0.1 million	Finance lease	100%	100%
Jingkai Tiangao No.1 (Tianjin) Aircraft Leasing Co., Ltd	Tianjin	RMB 0.1 million	Finance lease	100%	100%

As at 31 December 2024, the paid-in capital of the above subsidiaries amounted to RMB 9,485,025 thousand (31 December 2023: RMB 3,091,735 thousand).

As at 31 December 2024, the associates and joint ventures held by the Group are as follows:

Name of investee	Associated/ Joint	Place of registration	Registered capital	Nature of business	Shareholding ratio of the Group *31 December 2024*	Shareholding ratio of the Group *31 December 2023*
Mount Kowloon (Holdings) Limited	Joint	Hong Kong	HKD 1	Ship charter	50%	50%
Silk LNG Transport No.1 Pte Ltd	Associated	Singapore	USD 50,000	Ship charter	30%	30%
Silk LNG Transport No.2 Pte Ltd	Associated	Singapore	USD 50,000	Ship charter	30%	30%
Silk LNG Transport No.3 Pte Ltd	Associated	Singapore	USD 50,000	Ship charter	30%	30%

9. Prepayments

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Prepayments for finance lease assets	6,734,119	2,958,999	3,950,373	443,431
Less: Allowance for impairment losses on prepayments for finance lease assets	(136,083)	(73,010)	(44,302)	(26,881)
Prepayments for operating lease assets	51,754	448,592	2,986	-
Prepayments for vessel management fee	1,220,867	1,097,873	-	-
Total	7,870,657	4,432,454	3,909,057	416,550

10. Fixed assets

The Group

	Office equipment and computers	*Motor vehicles*	*Properties and buildings*	*Fixed assets under operating lease*	*Total*
Cost					
At 1 January 2023	30,231	4,700	987,552	196,465,421	197,487,904
Additions during the year	8,414	-	-	6,314,785	6,323,199
Transfers from construction in progress	-	-	-	2,956,607	2,956,607
Transfers from right-of-use assets under operating lease	-	-	-	4,967,403	4,967,403
Disposals/written-off during the year	-	-	-	(8,581,308)	(8,581,308)
Others	21	-	-	3,241,076	3,241,097
At 31 December 2023	38,666	4,700	987,552	205,363,984	206,394,902
Additions during the year	368	-	-	5,765,280	5,765,648
Transfers from construction in progress	-	-	-	10,431,272	10,431,272
Transfers from right-of-use assets under operating lease	-	-	-	2,346,755	2,346,755
Disposals/written-off during the year	-	-	-	(12,004,264)	(12,004,264)
Others	19	-	-	2,931,566	2,931,585
At 31 December 2024	39,053	4,700	987,552	214,834,593	215,865,898

	Office equipment and computers	*Motor vehicles*	*Properties and buildings*	*Fixed assets under operating lease*	*Total*
Accumulated depreciation					
At 1 January 2023	(21,917)	(4,378)	(103,972)	(37,976,334)	(38,106,601)
Charge for the year	(7,245)	(136)	(36,058)	(6,820,723)	(6,864,162)
Transfers from right-of-use assets under operating lease	-	-	-	(1,258,277)	(1,258,277)
Disposals/written-off during the year	-	-	-	1,917,444	1,917,444
Others	(20)	-	-	(664,700)	(664,720)
At 31 December 2023	(29,182)	(4,514)	(140,030)	(44,802,590)	(44,976,316)
Charge for the year	(4,267)	(97)	(36,058)	(7,101,799)	(7,142,221)
Transfers from right-of-use assets under operating lease	-	-	-	(556,317)	(556,317)
Disposals/written-off during the year	-	-	-	2,977,577	2,977,577
Others	(17)	-	-	(863,436)	(863,453)
At 31 December 2024	(33,466)	(4,611)	(176,088)	(50,346,565)	(50,560,730)
Allowance for impairment losses					
At 1 January 2023	-	-	-	(9,527,054)	(9,527,054)
Charge for the year	-	-	-	(1,057,029)	(1,057,029)
Transfers from right-of-use assets under operating lease	-	-	-	(414,268)	(414,268)
Disposals/written-off during the year	-	-	-	951,715	951,715
Others	-	-	-	(159,548)	(159,548)
At 31 December 2023	-	-	-	(10,206,184)	(10,206,184)
Charge for the year	-	-	-	(700,670)	(700,670)
Transfers from right-of-use assets under operating lease	-	-	-	(24,192)	(24,192)
Disposals/written-off during the year	-	-	-	758,525	758,525
Others	-	-	-	(217,831)	(217,831)
At 31 December 2024	-	-	-	(10,390,352)	(10,390,352)
Net book value					
At 31 December 2023	9,484	186	847,522	150,355,210	151,212,402
At 31 December 2024	5,587	89	811,464	154,097,676	154,914,816

As at 31 December 2024 and 31 December 2023, the Group's and the Company's fixed assets under operating lease were aircrafts, vessels, photovoltaic equipment assets and ocean engineering equipment assets.

As at 31 December 2024, net fixed assets under operating lease which had been mortgaged as collateral for the Group's borrowings amounted to RMB 37,628,471 thousand (31 December 2023: RMB 52,157,643 thousand).

The Company

	Office equipment and computers	*Motor vehicles*	*Properties and buildings*	*Fixed assets under operating lease*	*Total*
Cost					
At 1 January 2023	28,969	4,700	987,552	388,588	1,409,809
Additions during the year	8,414	-	-	-	8,414
Disposals/written-off during the year	-	-	-	(388,588)	(388,588)
At 31 December 2023	37,383	4,700	987,552	-	1,029,635
Additions during the year	274	-	-	108,586	108,860
Disposals/written-off during the year	-	-	-	-	-
At 31 December 2024	37,657	4,700	987,552	108,586	1,138,495
Accumulated depreciation					
At 1 January 2023	(20,830)	(4,378)	(103,972)	(78,127)	(207,307)
Charge for the year	(7,074)	(136)	(36,058)	(3,767)	(47,035)
Disposals/written-off during the year	-	-	-	81,894	81,894
At 31 December 2023	(27,904)	(4,514)	(140,030)	-	(172,448)
Charge for the year	(4,253)	(97)	(36,058)	(1,574)	(41,982)
Disposals/written-off during the year	-	-	-	-	-
At 31 December 2024	(32,157)	(4,611)	(176,088)	(1,574)	(214,430)
Allowance for impairment losses					
At 1 January 2023	-	-	-	(196,380)	(196,380)
Disposals/written-off during the year	-	-	-	196,380	196,380
At 31 December 2023	-	-	-	-	-
Disposals/written-off during the year					
At 31 December 2024	-	-	-	-	-
Net book value					
At 31 December 2023	9,479	186	847,522	-	857,187
At 31 December 2024	5,500	89	811,464	107,012	924,065

11. Construction in progress

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Opening balance	17,663,937	9,130,207	3,580,561	4,149,525
Additions during the year	6,170,072	11,417,718	88,283	152,253
Transferred:	(10,431,272)	(2,956,607)	(1,648,202)	(714,150)
- to fixed assets	(10,431,272)	(2,956,607)	-	-
- to receivables due to assets transfer transactions	-	-	(1,648,202)	(714,150)
Other Changes	136,874	72,619	(66,862)	(7,067)
Closing balance	13,539,611	17,663,937	1,953,780	3,580,561

As at 31 December 2024, the Group's and the Company's construction in progress is aircrafts and vessels under construction.

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Borrowing costs capitalized	713,097	672,337	52,004	88,958

The interest rate per annum, at which the borrowing costs were capitalized for the current year by the Group and the Company, was 2.12% - 5.35% (2023: 2.72% - 5.45%).

12. Right-of-use assets

The Group

	Leased properties and buildings	*Right-of-use assets under operating lease*	*Total*
Cost			
At 1 January 2023	104,314	17,599,087	17,703,401
Transfer to fixed assets under operating leases	-	(4,967,403)	(4,967,403)
Others	919	259,546	260,465
At 31 December 2023	105,233	12,891,230	12,996,463
Additions during the year	8,260	-	8,260
Transfer to fixed assets under operating leases	-	(2,346,755)	(2,346,755)
Others	823	192,385	193,208
At 31 December 2024	114,316	10,736,860	10,851,176
Accumulated depreciation			
At 1 January 2023	(52,347)	(3,221,588)	(3,273,935)
Charge for the year	(15,582)	(534,019)	(549,601)
Transfer to fixed assets under operating leases	-	1,258,277	1,258,277
Others	(598)	(59,118)	(59,716)
At 31 December 2023	(68,527)	(2,556,448)	(2,624,975)
Charge for the year	(14,380)	(409,711)	(424,091)
Transfer to fixed assets under operating leases	-	556,317	556,317
Others	(650)	(41,187)	(41,837)
At 31 December 2024	(83,557)	(2,451,029)	(2,534,586)

	Leased properties and buildings	*Right-of-use assets under operating lease*	*Total*
Allowance for impairment losses			
At 1 January 2023	-	(873,713)	(873,713)
Transfer to fixed assets under operating leases	-	414,268	414,268
Others	-	(14,280)	(14,280)
At 31 December 2023	-	(473,725)	(473,725)
Transfer to fixed assets under operating leases		24,192	24,192
Others		(7,071)	(7,071)
At 31 December 2024		(456,604)	(456,604)
Net book value			
At 31 December 2023	36,706	9,861,057	9,897,763
At 31 December 2024	30,759	7,829,227	7,859,986

The Company

	Leased properties and buildings
Cost	
At 1 January 2023	50,118
Additions during the year	-
At 31 December 2023	50,118
Additions during the year	8,260
At 31 December 2024	58,378
Accumulated depreciation	
At 1 January 2023	(20,875)
Charge for the year	(7,975)
At 31 December 2023	(28,850)
Charge for the year	(6,622)
At 31 December 2024	(35,472)
Net book value	
At 31 December 2023	21,268
At 31 December 2024	22,906

13. Deferred tax assets and deferred tax liabilities

The Group

	31 December 2024		*31 December 2023*	
Deferred tax assets	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*
Allowance for impairment losses (1)	696,579	2,786,316	761,462	3,045,848
Employee benefits payable	61,429	245,719	54,881	219,524
Changes in fair value of other debt investments	(17,279)	(69,116)	(9,823)	(39,292)
Changes in fair value of investments in other equity instruments	4,663	18,652	5,441	21,765
Others	20,655	82,616	20,381	81,524
Total	766,047	3,064,187	832,342	3,329,369

	31 December 2024		*31 December 2023*	
Deferred tax liabilities	*Deferred tax liabilities/ (assets)*	*Taxable/ (Deductible) temporary differences*	*Deferred tax liabilities/ (assets)*	*Taxable/ (Deductible) temporary differences*
Depreciation of fixed assets	2,186,964	8,747,856	2,247,375	17,979,000
Unrealized losses arising from intra-group transactions	5,406	43,248	5,900	47,200
Total	2,192,370	8,791,104	2,253,275	18,026,200

	2024			
Deferred tax assets	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Allowance for impairment losses (1)	761,462	(64,883)	-	696,579
Employee benefits payable	54,881	6,548	-	61,429
Changes in fair value of other debt investments	(9,823)	-	(7,456)	(17,279)
Changes in fair value of investments in other equity instruments	5,441	-	(778)	4,663
Others	20,381	274	-	20,655
Total	832,342	(58,061)	(8,234)	766,047

	2024			
Deferred tax liabilities	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Depreciation of fixed assets	2,247,375	(98,478)	38,067	2,186,964
Unrealized losses arising from intra-group transactions	5,900	578	(1,072)	5,406
Total	2,253,275	(97,900)	36,995	2,192,370

	2023			
Deferred tax assets	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Allowance for impairment losses (1)	792,848	(31,386)	-	761,462
Employee benefits payable	53,225	1,656	-	54,881
Changes in fair value of other debt investments	(5,149)	-	(4,674)	(9,823)
Changes in fair value of investments in other equity instruments	4,099	-	1,342	5,441
Others	178,717	(157,898)	(438)	20,381
Total	1,023,740	(187,628)	(3,770)	832,342

	2023			
Deferred tax liabilities	*Opening balance*	*Recognized in profit or loss*	*Recognized in equity*	*Closing balance*
Depreciation of fixed assets	2,046,450	171,958	28,967	2,247,375
Allowance for impairment losses (2)	(217,024)	217,024	-	-
Unrealized losses arising from intra-group transactions	34,243	569	(28,912)	5,900
Total	1,863,669	389,551	55	2,253,275

(1) Allowance for impaiment losses: includes provision for impaiment of finance lease receivables, provision for impairment of sale and leaseback receivables and allowance for impairment losses on prepayments for finance lease assets.

(2) Allowance for impairment losses: mainly includes allowance for impairment losses on fixed assets.

The Company

	31 December 2024		*31 December 2023*	
Deferred tax assets	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*	*Deferred tax assets/(liabilities)*	*Deductible/ (Taxable) temporary differences*
Allowance for impairment losses (1)	619,754	2,479,016	714,776	2,859,104
Employee benefits payable	61,429	245,719	54,881	219,524
Changes in fair value of other debt investments	(17,279)	(69,116)	(9,823)	(39,292)
Changes in fair value of investments in other equity instruments	4,663	18,652	5,441	21,765
Others	17,991	71,964	20,381	81,524
Total	686,558	2,746,235	785,656	3,142,625

	2024			
Deferred tax assets	Opening balance	Recognized in profit or loss	Recognized in equity	Closing balance
Allowance for impairment losses (1)	714,776	(95,022)	-	619,754
Employee benefits payable	54,881	6,548	-	61,429
Changes in fair value of other debt investments	(9,823)	-	(7,456)	(17,279)
Changes in fair value of investments in other equity instruments	5,441	-	(778)	4,663
Others	20,381	(2,390)	-	17,991
Total	785,656	(90,864)	(8,234)	686,558

	2023			
Deferred tax assets	Opening balance	Recognized in profit or loss	Recognized in equity	Closing balance
Allowance for impairment losses (1)	776,031	(61,255)	-	714,776
Employee benefits payable	53,225	1,656	-	54,881
Changes in fair value of other debt investments	(5,149)	-	(4,674)	(9,823)
Changes in fair value of investments in other equity instruments	4,099	-	1,342	5,441
Others	79,279	(58,898)	-	20,381
Total	907,485	(118,497)	(3,332)	785,656

(1) Allowance for impaiment losses: includes provision for impaiment of finance lease receivables, provision for impairment of sale and leaseback receivables and allowance for impairment losses on prepayments for finance lease assets.

14. Other assets

	The Group		The Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Entrusted loans	16,447,894	15,747,520	66,137,792	44,784,505
Long-term deferred expenses	610,969	590,676	1,675	2,112
Maintenance right assets	509,295	521,491	-	-
Deductible input VAT	388,865	174,057	186,654	-
Lease premium assets	227,633	277,730	-	-
Long-term receivables	215,595	214,609	-	-
Security deposits	113,296	111,334	110,594	108,594
Prepayments of borrowing cost	111,891	116,705	5,242	-
Supplier refunds receivable	54,264	265,414	54,264	265,414
Intangible assets	42,572	35,194	42,572	35,194
Receivables due to assets transfer transactions	-	-	10,918,246	10,625,572
Others	2,341,269	1,001,547	2,352,792	2,059,837
Sub-total	21,063,543	19,056,277	79,809,831	57,881,228
Less: Allowance for impairment losses	(157,381)	(153,220)	(10,657)	(10,657)
Total	20,906,162	18,903,057	79,799,174	57,870,571

15. Borrowings

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Analyzed by nature:				
Unsecured loans	258,696,649	215,220,596	131,318,244	100,581,579
Loans secured by mortgages	14,062,640	24,309,373	-	-
Pledged loans	22,034,835	24,851,758	11,042,975	14,927,917
Accrued interest	2,431,660	2,623,204	611,536	670,245
Total	297,225,784	267,004,931	142,972,755	116,179,741
Analyzed by counterparty:				
Domestic financial institutions	189,663,625	77,429,762	142,061,219	115,509,496
Overseas financial institutions	105,130,499	186,951,965	300,000	-
Accrued interest	2,431,660	2,623,204	611,536	670,245
Total	297,225,784	267,004,931	142,972,755	116,179,741

The annual interest rate on the above borrowings ranges from 1.74% - 6.07% in 2024 (0.71% - 7.10% in 2023).

16. Financial assets sold under repurchase agreements

	The Group and the Company	
	31 December 2024	*31 December 2023*
Securities sold under repurchase agreements	1,926,491	1,629,021
Accrued interest	27,317	2,052
Total	1,953,808	1,631,073

The details of pledge information of transactions under repurchase agreements are set out in Note IV.5 "Other debt investments".

17. Advances from customers

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Rental received in advance	1,592,525	1,841,363	78,944	256,010
Others	520,138	698,750	119,131	172,662
Total	2,112,663	2,540,113	198,075	428,672

18. Bills payable

	The Group and the Company	
	31 December 2024	*31 December 2023*
Bank acceptance	2,155,563	488,933

19. Employee benefits payable

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Short-term employee benefits (1)	278,407	249,488	277,260	248,350
Post-employment benefits				
- Defined contribution plans (2)	-	-	-	-
Total	278,407	249,488	277,260	248,350

(1) Short-term employee benefits

	The Group			
	1 January 2024	*Accruals*	*Payments*	*31 December 2024*
Salaries, bonuses, allowances and subsidies	220,662	261,841	(235,627)	246,876
Staff welfare	13	24,972	(23,893)	1,092
Social insurance	-	13,768	(13,768)	-
- Medical insurance	-	13,468	(13,468)	-
- Work-related injury insurance	-	268	(268)	-
- Maternity insurance	-	32	(32)	-
Housing fund	-	16,188	(16,188)	-
Labour union fee, staff and workers' education fee	28,813	9,927	(8,301)	30,439
Total	249,488	326,696	(297,777)	278,407

	The Group			
	1 January 2023	*Accruals*	*Payments*	*31 December 2023*
Salaries, bonuses, allowances and subsidies	211,786	201,531	(192,655)	220,662
Staff welfare	16	28,680	(28,683)	13
Social insurance	-	12,813	(12,813)	-
- Medical insurance	-	12,534	(12,534)	-
- Work-related injury insurance	-	252	(252)	-
- Maternity insurance	-	27	(27)	-
Housing fund	-	15,240	(15,240)	-
Labour union fee, staff and workers' education fee	27,387	7,880	(6,454)	28,813
Total	239,189	266,144	(255,845)	249,488

	The Company			
	1 January 2024	*Accruals*	*Payments*	*31 December 2024*
Salaries, bonuses, allowances and subsidies	219,524	250,669	(224,474)	245,719
Staff welfare	13	23,309	(22,230)	1,092
Social insurance	-	13,396	(13,396)	-
- Medical insurance	-	13,101	(13,101)	-
- Work-related injury insurance	-	268	(268)	-
- Maternity insurance	-	27	(27)	-
Housing fund	-	16,188	(16,188)	-
Labour union fee, staff and workers' education fee	28,813	9,927	(8,291)	30,449
Total	248,350	313,489	(284,579)	277,260

	The Company			
	1 January 2023	*Accruals*	*Payments*	*31 December 2023*
Salaries, bonuses, allowances and subsidies	211,786	191,275	(183,537)	219,524
Staff welfare	16	27,101	(27,104)	13
Social insurance	-	12,643	(12,643)	-
- Medical insurance	-	12,364	(12,364)	-
- Work-related injury insurance	-	252	(252)	-
- Maternity insurance	-	27	(27)	-
Housing fund	-	15,240	(15,240)	-
Labour union fee, staff and workers' education fee	27,387	7,880	(6,454)	28,813
Total	239,189	254,139	(244,978)	248,350

(2) Post-employment benefits - Defined contribution plans

	The Group			
	1 January 2024	*Accruals*	*Payments*	*31 December 2024*
Basic pension insurance	-	22,865	(22,865)	-
Unemployment insurance	-	669	(669)	-
Enterprise pension	-	17,914	(17,914)	-
Total	-	41,448	(41,448)	-

	The Group			
	1 January 2023	*Accruals*	*Payments*	*31 December 2023*
Basic pension insurance	-	21,447	(21,447)	-
Unemployment insurance	-	630	(630)	-
Enterprise pension	-	20,199	(20,199)	-
Total	-	42,276	(42,276)	-

	The Company			
	1 January 2024	*Accruals*	*Payments*	*31 December 2024*
Basic pension insurance	-	21,408	(21,408)	-
Unemployment insurance	-	669	(669)	-
Enterprise pension	-	17,914	(17,914)	-
Total	-	39,991	(39,991)	-

	The Company			
	1 January 2023	*Accruals*	*Payments*	*31 December 2023*
Basic pension insurance	-	20,169	(20,169)	-
Unemployment insurance	-	630	(630)	-
Enterprise pension	-	20,199	(20,199)	-
Total	-	40,998	(40,998)	-

20. Taxes payable

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Enterprise income tax payable	994,785	628,559	-	-
VAT and surcharges payable	132,424	219,257	1,827	42,668
Withholding of individual income tax payable	7,843	1,557	3,547	1,522
Others	298	9,453	298	3,998
Total	1,135,350	858,826	5,672	48,188

21. Security deposits payable

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Security deposits for leasing business	1,221,260	1,323,104	269,247	98,824

22. Other payables

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Maintenance reserve payable	5,147,296	4,322,756	-	-
Lessor incentives	988,560	848,202	-	-
Leased assets payable	396,645	421,176	37,178	41,416
Others	1,305,299	646,491	138,077	136,300
Total	7,837,800	6,238,625	175,255	177,716

23. Debt securities issued

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Issued debt securities	44,502,929	63,873,853	10,985,345	9,996,778
Accrued interest	442,045	623,459	208,001	225,237
Total	44,944,974	64,497,312	11,193,346	10,222,015

Abbreviation of bonds	*Par value*	*Coupon rate*	*Type of interest rate*	*Issue date*	*Maturity date*	*Term*
24 ICBC Leasing Bond 01	RMB 3 billion	2.70%	Fixed interest rate	2024-01-26	2027-01-26	3 years
24 ICBC Leasing Bond 02	RMB 3 billion	2.52%	Fixed interest rate	2024-03-05	2027-03-05	3 years
24 ICBC Leasing Bond 03	RMB 3 billion	2.30%	Fixed interest rate	2024-04-18	2027-04-18	3 years
24 ICBC Leasing Bond 04	RMB 2 billion	2.12%	Fixed interest rate	2024-06-21	2027-06-21	3 years
US44931DAH61/USY3R559AL64	USD 300 million	3.625%	Fixed interest rate	2016-05-19	2026-05-19	10 years
XS1716970261	USD 250 million	3.625%	Fixed interest rate	2017-11-15	2027-11-15	10 years
XS2218691256	USD 900 million	1.750%	Fixed interest rate	2020-08-25	2025-08-25	5 years
XS2320543445	USD 250 million	2.650%	Fixed interest rate	2021-08-02	2031-08-02	10 years
XS2320544419	USD 550 million	1.750%	Fixed interest rate	2021-08-02	2026-08-02	5 years
XS2393958488	USD 750 million	2.250%	Fixed interest rate	2021-11-02	2026-11-02	5 years
XS2431448849	USD 700 million	2.125%	Fixed interest rate	2022-01-27	2025-01-27	3 years
XS2431451041	USD 500 million	2.700%	Fixed interest rate	2022-01-27	2027-01-27	5 years
XS2591956243	USD 180 million	SOFR-3M-LBY-5BD+95BP	Floating interest rate	2023-03-07	2026-03-06	3 years
XS2600998764	USD 50 million	SOFR-3M-LBY-5BD+90BP	Floating interest rate	2023-03-15	2026-03-13	3 years
XS2628700572	USD 39 million	4.630%	Fixed interest rate	2023-05-24	2026-05-14	3 years
XS2778130331	USD 66 million	SOFR-3M-LBY-5BD+64BP	Floating interest rate	2024-03-01	2025-02-27	1 years
XS2779810253	USD 30 million	5.200%	Fixed interest rate	2024-03-11	2027-03-11	3 years
XS2808415520	USD 100 million	5.200%	Fixed interest rate	2024-04-25	2027-04-23	3 years
XS2859256062	USD 20 million	5.100%	Fixed interest rate	2024-07-11	2027-07-09	3 years

24. Long-term payables

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Acquisition of fixed assets	47,309	159,116	-	-

25. Lease liabilities

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Lease liabilities	4,877,544	6,759,440	28,154	26,587

The Group's and the Company's lease liabilities are analyzed by maturity date as below:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Within 1 year (inclusive)	853,784	2,170,519	11,580	8,290
1 to 2 years (inclusive)	719,741	983,173	9,094	5,803
2 to 3 years (inclusive)	1,094,415	734,419	6,383	6,078
3 to 4 years (inclusive)	629,640	1,097,422	2,687	6,383
4 to 5 years (inclusive)	1,384,975	637,536	-	2,687
Over 5 years	856,723	2,183,589	-	-
Sub-total	5,539,278	7,806,658	29,744	29,241
Less: Unrecognized financing expenses	(661,734)	(1,047,218)	(1,590)	(2,654)
Carrying amount	4,877,544	6,759,440	28,154	26,587

26. Paid-in capital

The Company

	31 December 2024		*31 December 2023*	
	Amount	Ratio	Amount	Ratio
ICBC	18,000,000	100%	18,000,000	100%

27. Surplus reserve

In accordance with the Company Law of the People's Republic of China and the Company's and the domestic subsidiaries' Articles of Association, the Company and the domestic subsidiaries shall appropriate 10% of its annual net profit to its statutory surplus reserve. The statutory surplus reserve can be used to make up for the loss or increase the share capital upon approval. The appropriation may be ceased if the balance of the statutory surplus reserve has reached 50% of the Company's registered capital.

28. General reserve

In accordance with the Administrative Measures for the Provisions of Reserves of Financial Enterprises (No. 20 [2012] of the Ministry of Finance) issued by the MOF, the Company and the subsidiaries set aside a general reserve for possible unrecognized losses on risk assets, as part of the provisions for impaired assets. The general reserve, which is dealt with in profit distribution and forms part of the owners' equity, is no less than 1.5% of the period-end balance of its risk assets.

29. Finance lease income and interest income

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Interest income from sales and leaseback	7,241,763	7,845,960	2,776,634	3,357,808
Finance lease income	1,541,066	1,808,875	453,504	746,628
Interest income from deposits with the central bank and bank balances	1,407,131	1,407,638	41,336	114,698
Interest income from other debt investments	113,418	127,074	51,688	69,966
Interest income from entrusted loans	94,276	202,438	2,138,027	1,865,616
Total	10,397,654	11,391,985	5,461,189	6,154,716

30. Operating lease income

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Operating lease income	17,718,112	16,310,754	3,144	-

31. Fee and commission income

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Income from consulting services	244,956	299,589	7,395	80,225

32. Other income

Pursuant to Accounting Standards for Business Enterprises No.16 - Government Grants (2017), a government grant related to the income is included in other income, the government grants incurred this year represent financial support fund for encouraging the leasing industry from Tianjin municipal goverment.

33. Other operating income

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Compensation income	499,489	-	-	-
Security deposits for projects income	19,231	676,333	-	-
Maintenance reserve income	-	183,266	-	-
Lease incentives income	-	62,793	-	-
Others	6,890	66,686	480	-
Total	525,610	989,078	480	-

34. Interest expenses

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Interest expenses on borrowings	11,896,875	11,923,608	4,057,067	3,987,217
Interest expenses on debt securities	1,835,958	2,328,756	336,997	527,064
Interest expenses on lease liabilities	401,142	494,320	-	-
Interest expenses on financial assets sold under repurchase agreements	91,710	80,791	91,710	80,791
Interest expenses of derivatives margin	4,337	7,253	-	-
Total	14,230,022	14,834,728	4,485,774	4,595,072

35. Operating lease expenses

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Depreciation of operating lease assets	7,101,799	6,820,723	1,574	3,767
Depreciation of right-of-use assets	409,711	534,019	-	-
Others	2,187,068	1,741,930	-	-
Total	9,698,578	9,096,672	1,574	3,767

36. Taxes and surcharges

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Urban maintenance and construction tax	49,542	76,966	4,542	34,662
Education surcharges	35,887	55,416	3,244	24,759
Others	46,198	47,164	28,081	27,891
Total	131,627	179,546	35,867	87,312

37. Operating and administrative expenses

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Employee benefits	368,144	308,420	353,480	295,137
Technical service fees	67,314	106,404	-	-
Consulting fees	47,895	49,142	15,880	16,762
Depreciation of fixed assets	40,422	43,439	40,408	43,268
Agency fee	27,621	84,260	13,256	15,195
Depreciation of right-of-use assets	14,380	15,582	6,622	7,975
Amortization of intangible assets	8,066	6,417	8,066	6,417
Advertisement and business entertainment	2,705	3,460	2,184	3,374
Maintenance expenses	1,911	30,499	1,874	808
Others	130,402	104,729	39,099	43,217
Total	708,860	752,352	480,869	432,153

38. Impairment losses/(reversals)

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Impairment losses on fixed assets under operating lease	700,670	1,057,029	-	-
(Reversals)/losses on lease receivables	(79,542)	(140,844)	(391,777)	287,518
Losses on prepayments for finance lease assets	62,070	72,629	17,421	26,881
Losses/(reversals) on cash and bank balances	3,827	6,537	(85)	79
Impairment losses/(reversals) on other assets	145,704	71,252	-	(298)
Total	832,729	1,066,603	(374,441)	314,180

39. Income tax expenses

The Group's applicable PRC income tax rate in 2024 is 25% (2023: 25%). Taxes on profits assessable overseas have been calculated at the applicable rates of tax prevailing in the countries/regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. A reconciliation of the income tax expense applicable to total profit at the PRC statutory income tax rate to actual income tax:

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Current income tax				
Chinese Mainland	580,909	507,396	82,240	48,416
Hong Kong	498,548	434,642	-	-
Other overseas regions	384,203	86,653	-	-
Sub-total	1,463,660	1,028,691	82,240	48,416
Deferred income tax	(39,839)	577,179	90,864	118,497
Total	1,423,821	1,605,870	173,104	166,913
Reconciliation of income tax expenses to accounting profit:				
Total profit	3,883,241	4,159,865	735,919	762,539
Tax at the applicable income tax rate (25%)	970,810	1,039,966	183,980	190,635
Effect of different applicable tax rates prevailing in other countries/regions	(29,216)	(282,935)	-	-
Effect of deductible losses and temporary differences for which no deferred tax asset was recognized in current year	515,597	855,096	-	-
Effect of using the deductible losses and temporary differences for which no deferred tax asset was recognized in previous period	(38,153)	(13,779)	-	-
Effect of non-deductible expenses and losses	16,211	41,966	(12,965)	9,673
Effect of annual filing in prior years	71,882	(24,998)	(34,595)	15,636
Effect of non-taxable income	(12,730)	(82,451)	(12,730)	(82,451)
Others	(70,580)	73,005	49,414	33,420
Income tax expenses for the year	1,423,821	1,605,870	173,104	166,913

40. Other comprehensive income

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Attributable to owners of the Company:				
Items that will not be reclassified to profit or loss:				
Changes in fair value of investments in other equity instruments	3,582	(131,988)	3,110	(5,369)
Less: Income tax effect	778	(1,342)	778	(1,342)
Subtotal	2,804	(130,646)	2,332	(4,027)
Items that may be reclassified to profit or loss:				
Other comprehensive income recognised under the equity method	-	(3,450)	-	-
Changes in fair value of other debt investments	(241,091)	10,574	29,824	18,696
Allowance for impairment losses of other debt investments	62,918	5,888	-	(298)
Less: Income tax effect	7,456	4,674	7,456	4,674
Subtotal	(185,629)	8,338	22,368	13,724
Translation differences of financial statements denominated in foreign currencies	459,098	406,436	-	-
Total other comprehensive income (net of tax)	276,273	284,128	24,700	9,697
Attributable to Non-controling interests:				
Total other comprehensive income (net of tax)	5,485	5,603	-	-

41. Cash and cash equivalents

Cash and cash equivalents carried in the cash flow statement were as follows:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Bank deposits with original maturity of less than 3 months	23,585,694	15,669,342	2,838,376	842,958
Excess deposit reserves with the PBOC	5,557	3,996	5,557	3,996
Total	23,591,251	15,673,338	2,843,933	846,954

42. Supplementary information to cash flow statement

(1) Reconciliation of net profit to cash flows from operating activities:

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Net profit	2,459,420	2,553,995	562,815	595,626
Add: Impairment losses/(reversal)	832,729	1,066,603	(374,441)	314,180
Depreciation of fixed assets	7,142,221	6,864,162	41,982	47,035
Depreciation of right-of-use assets	424,091	549,601	6,622	7,975
Amortization of intangible assets	8,066	6,417	8,066	6,417
(Gains)/Losses on disposal of assets	(220,448)	100,127	-	(56,166)
Amortization of long-term deferred expenses	171,801	173,459	437	437
Amortization of lease premium assets	45,120	65,438	-	-
Amortization of deferred expenses	94,427	67,952	4,403	4,026
Exchange losses/(gains)	17,061	(10,287)	5,707	(10,330)
Investment (income)/losses	(56,348)	(602,046)	(27,581)	12,957
Interest income from other debt investments	(113,418)	(127,074)	(51,688)	(69,966)
Interest expenses on lease liabilities	401,142	494,320	-	-
Interest expenses on long-term borrowings	7,837,545	4,119,658	898,137	847,382
Interest expenses on debt securities	1,835,958	2,328,756	336,997	527,064
Interest expenses of derivatives margin	4,337	7,253	-	-
(Gains)/Losses from changes in fair value	(2,197)	10,951	-	-
Decrease in deferred tax assets	58,061	187,628	90,864	118,497
(Decrease) /Increase in deferred tax liabilities	(97,900)	389,551	-	-
Decrease/(Increase) in operating receivables	1,392,871	9,824,364	(20,645,155)	7,368,948
Increase/(Decrease) in operating payables	19,703,677	25,095,071	26,505,455	(4,208,698)
Net cash flow from operating activities	41,938,216	53,165,899	7,362,620	5,505,384

(2) Movements of cash and cash equivalents

	The Group		*The Company*	
	2024	*2023*	*2024*	*2023*
Closing balance of cash and cash equivalents	23,591,251	15,673,338	2,843,933	846,954
Less: Opening balance of cash and cash equivalents	15,673,338	24,778,814	846,954	4,214,836
Net change in cash and cash equivalents	7,917,913	(9,105,476)	1,996,979	(3,367,882)

43. Segment information

The Group operates principally in Chinese Mainland, and has subsidiaries operating outside Chinese Mainland, mainly including Hong Kong and Ireland.

The Group is mainly engaged in aircrafts, vessels, and equipment leasing, and does not identify business segments according to the subject matter of the leasing business.

The Group's segments are identified based on the geographical areas, the main business segments are Chinese Mainland, Hong Kong and Ireland.

	2024					
	Chinese Mainland	*Hong Kong*	*Ireland*	*Other*	*Eliminations*	*Total*
Finance lease income and interest income	4,419,821	13,001,250	1,491,917	3,185,628	(11,700,962)	10,397,654
Operating lease income	5,177,059	4,558,348	6,254,163	1,728,542		17,718,112
Other revenue (1)	782,017	1,293,599	711,605	356,542	(1,432,170)	1,711,593
Interest expenses	5,271,946	13,144,012	4,166,710	3,347,438	(11,700,084)	14,230,022
Operating lease expenses	2,594,796	3,119,571	3,245,305	734,280	4,626	9,698,578
Taxes and surcharges	131,609	-	18	-	-	131,627
Impairment (reversals)/losses	(297,970)	(83,717)	683,666	530,750		832,729
Other expenses (2)	774,687	121,404	185,920	29,827	(60,676)	1,051,162
Total profit/(loss)	1,903,829	2,551,927	176,066	628,417	(1,376,998)	3,883,241
Income tax expenses	(641,754)	(505,989)	40,952	(317,613)	583	(1,423,821)
Net profit/(loss)	1,262,075	2,045,938	217,018	310,804	(1,376,415)	2,459,420
Depreciation	2,643,575	1,039,833	3,224,442	653,836	4,626	7,566,312
Capital expenditure	9,952,999	1,544,434	7,147,576	-	305,796	18,950,805

	31 December 2024					
	Chinese Mainland	*Hong Kong*	*Ireland*	*Other*	*Eliminations*	*Total*
Assets by segments	214,511,650	315,158,118	110,622,378	87,327,304	(309,718,819)	417,900,631
Including:						
Fixed assets	54,090,661	21,968,192	67,296,460	11,516,261	43,242	154,914,816
Right-of-use assets	4,917,035	7,852	2,935,099	-	-	7,859,986
Construction in progress	3,111,670	173,900	10,254,041	-	-	13,539,611
Other non-current assets (3)	213,397	6,503	1,170,518	51	-	1,390,469
Liabilities by segments	177,600,841	280,823,814	103,165,314	90,679,616	(286,286,753)	365,982,832

	2023					
	Chinese Mainland	*Hong Kong*	*Ireland*	*Other*	*Eliminations*	*Total*
Finance lease income and interest income	5,415,984	12,832,271	1,055,619	5,996,729	(13,908,618)	11,391,985
Operating lease income	5,039,826	3,775,464	6,193,805	1,301,659		16,310,754
Other revenue (1)	961,148	1,141,710	906,156	2,250,100	(2,566,428)	2,692,686
Interest expenses	5,465,623	12,290,070	4,128,447	6,779,379	(13,828,791)	14,834,728
Operating lease expenses	2,357,822	2,632,167	3,427,872	674,259	4,552	9,096,672
Taxes and surcharges	179,529	-	17	-	-	179,546
Impairment losses/(reversals)	904,406	(2,519)	309,656	(144,940)	-	1,066,603
Other expenses (2)	675,316	138,169	229,898	44,378	(29,750)	1,058,011
Total profit/(loss)	1,834,262	2,691,558	59,690	2,195,412	(2,621,057)	4,159,865
Income tax expenses	(695,024)	(434,479)	(334,183)	(142,590)	406	(1,605,870)
Net profit/(loss)	1,139,238	2,257,079	(274,493)	2,052,822	(2,620,651)	2,553,995
Depreciation	2,398,849	944,356	3,405,968	660,037	4,553	7,413,763
Capital expenditure	3,384,433	2,522,806	11,080,308	-	-	16,987,547

	31 December 2023					
	Chinese Mainland	*Hong Kong*	*Ireland*	*Other*	*Eliminations*	*Total*
Assets by segments	179,114,036	364,865,880	114,280,552	97,880,257	(352,895,773)	403,244,952
Including:						
Fixed assets	47,378,136	21,019,068	69,800,030	12,967,972	47,196	151,212,402
Right-of-use assets	5,298,311	15,438	4,584,014	-	-	9,897,763
Construction in progress	4,011,984	922,070	12,729,883	-	-	17,663,937
Other non-current assets (3)	151,330	8,686	1,264,957	119	-	1,425,092
Liabilities by segments	143,631,957	346,212,736	106,933,881	100,514,522	(343,224,765)	354,068,331

(1) Other revenue includes fee and commission income, investment income or losses, other income, gains or losses from changes in fair value, exchange gains or losses, other operating income, gains or losses from asset disposal, and non-operating income.

(2) Other expenses include fee and commission expenses, operating and administrative expenses, and non-operating expenses.

(3) Other non-current assets include intangible assets, long-term deferred expenses, maintenance right assets and lease premium assets.

V. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Information on the Company's parent company:

Name	*Registered capital*	*Place of registration*	*Principal activities*	*% of shareholdings and voting rights*	*Nature or type of operation*
ICBC	RMB 356.4 billion	Beijing	Financial services	100%	Commercial bank

2. Information on the Company's subsidiaries is disclosed in Note IV.8.

3. Related parties having transactions with the Group where no control relationship exists:

Name of company	*Relationship with the Company*
Industrial and Commercial Bank of China (Asia) Limited ("ICBC Asia")	Controlled by the parent company
Industrial and Commercial Bank of China (London) plc ("ICBC London")	Controlled by the parent company
Industrial and Commercial Bank of China (Macau) Limited ("ICBC Macau")	Controlled by the parent company
ICBC Standard Bank Public Limited ("ICBC Standard Bank")	Controlled by the parent company
ICBC Interational Leasing Company Limited ("ICBC International Leasing")	1. Controlled by the parent company 2. The Company and ICBC International Investment Management Limited conduct important financial and operating decisions together according to the contract

4. Transactions between the Group and the Company's parent company are as follows:

	31 December 2024	*31 December 2023*
Assets:		
Cash and bank balances	7,492,284	9,704,380
Other assets	13,410	9,928
Liabilities:		
Borrowings	97,041,210	115,889,564
Other payables	-	14,435

	2024	*2023*
Interest income	271,760	249,118
Interest expenses	5,141,916	6,014,341
Fee and commission expenses	126,245	171,622

5. Transactions between the Company and its subsidiaries are as follows:

The related parties over which the Company has controls are the subsidiaries of the Company. For details of the subsidiaries of the Company, please refer to Note IV.8. All significant balances and transactions between the Company and its subsidiaries are eliminated in the consolidated financial statements. Details of the material transactions are as follows:

	31 December 2024	*31 December 2023*
Assets:		
Other assets		
- Entrusted loans	66,137,792	44,784,505
- Receivables due to assets transfer transactions	10,918,246	10,625,572
- Receivables arising from termination of contracts	1,817,244	1,790,522
Liabilities:		
Borrowings	2,965,595	1,942,400
Other payables	108,115	82,545

	2024	*2023*
Interest income	2,138,027	1,865,616
Interest expenses	24,692	18,781

The construction in progress which has been sold by the Company to the subsidiaries during the year amounted to RMB 1,648,202 thousand (2023: RMB 714,150 thousand).

As at 31 December 2024, the Company has not provided joint and several liability guarantees to its subsidiaries (31 December 2023: RMB 9,004,114 thousand).

The Company entered into agreements with its subsidiaries to undertake a remarketing service commitment to resell assets pledged for foreign currency loans. The details are set out in Note IX "Contingencies".

6. Transactions between the Group and related parties where no control relationship exists are as follows:

ICBC Interational Leasing

	31 December 2024	*31 December 2023*
Assets:		
Other assets		
- Entrusted loans	16,219,772	15,224,655
- Other receivables	19,300	18,191
Liabilities:		
Borrowings	2,003,390	1,927,218
Other payables	213,287	49,023

	2024	*2023*
Other operating income	285	700
Interest income	805,215	675,701
Interest expenses	94,777	43,637

ICBC Asia

	31 December 2024	*31 December 2023*
Assets:		
Cash and bank balances	2,775,818	1,942,589
Liabilities:		
Borrowings	10,774,262	3,701,439

	2024	*2023*
Interest income	25,069	35,484
Interest expenses	349,525	256,925

ICBC London

	31 December 2024	*31 December 2023*
Assets:		
Cash and bank balances	838,511	786,980

ICBC Macau

	31 December 2024	*31 December 2023*
Assets:		
Cash and bank balances	2,233	5,572
Liabilities:		
Borrowings	-	913

	2024	*2023*
Interest income	668	571

ICBC Standard Bank

	2024	*2023*
Assets:		
Derivative financial assets	29,867	91,574
Liabilities:		
Other payables	30,263	99,795

	2024	*2023*
Investment income	81,404	69,360
Interest expenses	4,337	7,253

7. Key management personal

Key management personnel are those who have the authority and are responsible, directly or indirectly, for planning, directing and controlling the activities of the Company, including the Board of Directors, supervisors and senior management.

Total remuneration of key management personal is as follows:

	2024	*2023*
Remuneration and welfare	10,953	15,847

According to relevant requirements of shareholders, the final remunerations of the Company's chairman, president, vice president and other senior management are subject to the final confirmation of ICBC, but it is expected that such unconfirmed remunerations do not have a significant impact on the Company's financial statements for the year 2024. The final remuneration will be disclosed in a separate announcement after being confirmed by the relevant departments of ICBC.

8. Annuity Fund

Apart from the obligations for defined contributions to the Annuity Fund, in 2024 and 2023, there was no other related transaction between the Annuity Fund and the Group or the Company.

VI. FINANCIAL RISK MANAGEMENT

The Group's business activities are exposed to a variety of financial risks. The Group's risk management is largely geared to analyze, evaluate and manage risks of varying degrees or their combinations. The Group aims to strike a balance between risk and return and minimize potential adverse effects on its financial position and operating results.

1. Credit risk

(a) Credit risk management

The Group is exposed to credit risk, which is the risk of suffering financial loss, should any of its counterparties fail to fulfill their contractual obligations. Credit risk is the most important risk for the Group's business activities; management therefore carefully manages its exposure to credit risk. Credit risk arises mainly from leasing activities. Currently, the Group's Risk Management Committee is responsible for decision-making and centralized coordination in credit risk management, and manages credit risk through a number of measures, including industry-standard credit assessment, legal compliance, asset management and operation.

The Group performs credit risk management during pre-lease investigation, lease approval, and post-lease management. The Group carries out continuous monitoring of leasing projects, and strengthens risk surveillance over key industries, regions, products and customers. The Group controls its credit risk through, among other necessary measures, regular analyses of customers' ability to repay interests and principals and appropriate adjustments to their credit limits. The Group employs a range of policies to mitigate credit risk, primarily through taking collaterals and security deposit, obtaining guarantees from companies or individuals, and taking out insurance on leased assets.

In order to minimize credit risk, the Group will seek additional collaterals from counterparties or require additional guarantors once impairment indications are identified for a lease facility.

The credit risk on the cash and bank balances of the Group is limited because they are deposited with banks with high credit ratings.

(b) Impairment analyses and provisioning policies of financial instruments

The Group classifies financial instruments into three stages and makes provisions for expected credit losses accordingly, depending on whether credit risk on that financial instrument has increased significantly since initial recognition and whether the asset is credit impaired. Please refer to Note III.7(a) for the definition of three risk stages of financial instruments.

Significant increase in credit risk

The assessment of significant increase since initial recognition in the credit risk is performed at least on a quarterly basis for financial instruments held by the Group. The Group takes into consideration all reasonable and supportable information (including forward-looking information) that reflects significantly change in credit risk for the purposes of classifying financial instruments. The main considerations are regulatory and operating environment, internal and external credit risk grading, debt-servicing capacity, operating capabilities, contractual terms, and repayment records. The Group compares the risk of default of a single financial instrument or a portfolio of financial

instruments with similar credit risk characteristics as at the end of the reporting period and its risk of default at the date of initial application to determine changes in the risk of default during the lifetime of a financial instrument or a portfolio of financial instruments. In determining whether credit risk of a financial instrument has increased significantly since initial recognition, the Group considers factors indicating whether the probability of default has risen sharply, whether the financial instrument has been past due for more than 30 days, whether the market price has been falling to assess deterioration.

Definition of default and impairment

Objective evidence that a financial instrument is defaulted and impaired includes:

(1) The principal or interest of financial instrument is past due more than 90 days to the Group;
(2) Significant financial difficulty of the lessee;
(3) A breach of contract by the lessee, such as default or delinquency in interest or principal payments;
(4) Concession to the lessee, for economic or legal reasons relating to the lessee's financial difficulty that the lessor would not otherwise consider;
(5) Probability that the lessee will become bankrupt or undergo other financial reorganizations.

Description of parameters, assumptions, and estimation techniques

ECL for a financial instrument is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk on that financial instrument has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL is the product of Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"), considering the time value of money. Related definitions are as follows:

PD is the possibility that a customer will default on its obligation within a certain period of time in light of forward-looking information. The Group's PD is adjusted based on the results of the Internal Rating-Based Approach under the Basel New Capital Accord, taking the forward-looking information into account and deducting the prudential adjustment to reflect the debtor's point-in-time (PIT) PD under the current macroeconomic environment;

LGD is the magnitude of the likely loss if there is a default in light of forward-looking information. The LGD is depending on the type of counterparty, the method and priority of the recourse, and the type of collaterals, with taking the forward-looking adjustment into account.

EAD refers to the total amount of on- and off-balance sheet exposures in the event of default and is determined based on the historical repayment records.

The assumptions underlying the ECL calculation, such as how the PDs and LGDs of different maturity profiles change are monitored and reviewed by the Group at each balance sheet date.

During the year, the Group performed internal and external verifications and rechecks on ECL models, etc., and continuously optimized the model based on the results of verifications and rechecks, including updating the criteria of stage division, looking-forward information, model parameters, and risk groups, as per the Administrative

Measures for the Implementation of the Expected Credit Loss Method by Commercial Banks.

The Group adopts discounted cash flow method to measure the impairment losses on credit-impaired financial instruments. If there is objective evidence that an impairment loss on a financial asset has incurred, the allowance for impairment loss is measured as the higher of (1) difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate and (2) the loss calculated by the ECL method when the financial instrument is transferred from Stage 2 to Stage 3. The allowance for impairment loss is deducted in the carrying amount. The impairment loss is recognized in the statement of profit or loss. In determining allowances on an individual basis, the following factors are considered:

- The sustainability of the lessee's business plan;
- The lessee's ability to improve performance once a financial difficulty has arisen;
- The estimated recoverable cash flows from projects and liquidation;
- The availability of other financial support and the realizable value of collateral; and
- The timing of the expected cash flows.

It may not be possible to identify a single, or discrete events that result in the impairment, but it may be possible to identify impairment through the combined effect of several events. The impairment losses are evaluated at each balance sheet date, unless unforeseen circumstances require more careful attention.

Forward-looking information contained in ECL

The calculation of ECL incorporates forward-looking information. The Group has performed historical analysis and identified macroeconomic indicators, including Gross Domestic Product ("GDP"), Consumer Price Index ("CPI"), Purchasing Managers' Index ("PMI") and others. The impact of these economic indicators on the PD and LGD has been determined by performing statistical regression analysis to understand the correlations among the historical changes of the economic indicators, PD and LGD. The impact of these economic indicators on the PD and LGD differs for different business types. Forecasts of these economic indicators are made on the balance sheet date by the Group and the best estimate of the economy over the next year is provided.

The Group has determined optimistic, neutral and pessimistic scenarios and their weights based on macro data analysis and expert judgment results, and then calculated the Group's weighted average ECL reserve, in which optimistic and pessimistic scenarios have similar weights, while neutral scenarios have slightly higher weights.

(c) Maximum credit risk exposure

The maximum exposure to credit risk at the balance sheet date without taking into consideration of any collateral held or other credit enhancement is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance. A summary of the maximum credit exposure is as follows:

	The Group	
	31 December 2024	*31 December 2023*
Credit risk exposure relating to:		
Deposits with the central bank	25,171	17,217
Cash and bank balances	41,403,460	22,240,159
Lease receivables	166,532,246	173,825,205
Other debt investments	2,890,198	2,849,389
Prepayments	6,598,036	2,885,989
Other assets	18,718,926	17,063,141
Sub-total	236,168,037	218,881,100
Sale and leaseback commitment	4,347,001	3,407,841
Maximum credit risk exposure	240,515,038	222,288,941

(d) Risk concentration of finance lease receivables and sale and leaseback receivables

Credit risk increases when counterparties are concentrated in certain specific industries or geographical regions, or they share certain economic characteristics. The customers of the Group concentrate in a number of key industries, each with their own unique characteristics in economic development, which therefore presents different credit risks to the Group.

	The Group	
	31 December 2024	*31 December 2023*
Transportation, storage and postal service	134,304,670	142,234,314
Production and supply of electricity, heat, gas and water	14,657,957	12,401,460
Water, environment and public utility management	7,698,494	9,695,987
Leasing and commercial services	4,351,318	5,123,920
Mining	2,901,232	3,079,606
Manufacturing	2,756,053	1,711,988
Information transmission, computer service and software	689,588	733,993
Construction	435,188	431,357
Wholesale and retail	425,771	-
Health, social security and social welfare	268,293	431,067
Culture, sports and entertainment	165,644	708,620
Scientific research and technical services	153,384	18,473
Agriculture, forestry, animal husbandry and fishery	40,663	-
Finance	-	107,779
Total	168,848,255	176,678,564

(e) Quality of finance lease receivables and sale and leaseback receivables

As at 31 December 2024, the Group's exposure to credit risk on finance lease receivables and sale and leaseback receivables is set out below:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount	164,797,684	2,511,354	1,539,217	168,848,255
Allowance for expected credit impairment	(1,930,348)	(478,168)	(1,374,764)	(3,783,280)

As at 31 December 2023, the Group's exposure to credit risk on finance lease receivables and sale and leaseback receivables is set out below:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount	171,579,857	3,370,156	1,728,551	176,678,564
Allowance for expected credit impairment	(2,188,265)	(1,181,704)	(1,203,020)	(4,572,989)

2. Market risk

Market risk is the risk of loss, in respect of the Group's on- and off-balance sheet activities, arising from adverse movements in market rates (including interest rates, foreign exchange rates, commodity prices, stock prices and other prices).

The Group is exposed to primarily structural interest rate risk arising from leasing business and position risk arising from treasury transactions. Interest rate risk is inherent in many of its businesses and largely arises from mismatches between the repricing dates of assets and liabilities. The Group's foreign exchange risk mainly includes foreign exchange exposure arising from a currency structure imbalance between foreign currency assets and foreign currency liabilities. As at the balance sheet date, the Group's business is primarily conducted in RMB and USD. Sensitivity analysis, interest rate gap analysis and foreign exchange risk concentration analysis are the main market risk management tools used by the Group to monitor the market risk of its overall businesses.

(a) Interest rate risk

The following table summarizes the Group's exposure to interest rate risk based on the earlier of the contractual repricing date or maturity date.

	Within 3 months	*3 months to 1 year*	*1 to 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
31 December 2024						
Assets:						
Deposits with the central bank	25,171	-	-	-	-	25,171
Cash and bank balances	25,026,615	6,245,974	8,332,589	-	1,798,282	41,403,460
Lease receivables	102,549,929	31,916,524	8,414,343	21,870,004	1,781,446	166,532,246
Other debt investments	-	450,938	1,792,287	618,678	28,295	2,890,198
Investments in other equity instruments	-	-	-	-	239,832	239,832
Financial assets held for trading	51,269	147,046	640,057	-	-	838,372
Prepayments	6,154,935	-	-	-	1,715,722	7,870,657
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	176,314,413	176,314,413
Others	15,244,261	-	-	-	6,542,021	21,786,282
Total assets	149,052,180	38,760,482	19,179,276	22,488,682	188,420,011	417,900,631
Liabilities:						
Borrowings	116,903,211	94,667,566	81,400,972	1,822,375	2,431,660	297,225,784
Financial assets sold under repurchase agreements	1,114,202	812,289	-	-	27,317	1,953,808
Bills payable	1,239,569	915,994	-	-	-	2,155,563
Security deposits payable	-	-	-	-	1,221,260	1,221,260
Debt securities issued	7,157,155	6,467,328	29,095,692	1,782,754	442,045	44,944,974
Others	3,965,253	89,315	822,976	-	13,603,899	18,481,443
Total liabilities	130,379,390	102,952,492	111,319,640	3,605,129	17,726,181	365,982,832
Interest rate sensitivity gap	18,672,790	(64,192,010)	(92,140,364)	18,883,553	Not applicable	Not applicable

	Within 3 months	*3 months to 1 year*	*1 to 5 years*	*Over 5 years*	*Non-interest bearing*	*Total*
31 December 2023						
Assets:						
Deposits with the central bank	17,217	-	-	-	-	17,217
Cash and bank balances	15,844,032	3,780,807	2,574,502	-	40,818	22,240,159
Lease receivables	89,292,572	48,751,717	7,111,194	26,600,385	2,069,337	173,825,205
Other debt investments	-	-	2,023,619	803,191	22,579	2,849,389
Investments in other equity instruments	-	-	-	-	233,347	233,347
Financial assets held for trading	51,329	147,634	789,163	-	-	988,126
Prepayments	2,486,225	-	-	-	1,946,229	4,432,454
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	178,774,102	178,774,102
Others	14,743,154	-	91,574	-	5,050,225	19,884,953
Total assets	122,434,529	52,680,158	12,590,052	27,403,576	188,136,637	403,244,952
Liabilities:						
Borrowings	105,417,510	106,332,017	47,607,453	5,024,747	2,623,204	267,004,931
Financial assets sold under repurchase agreements	1,629,021	-	-	-	2,052	1,631,073
Bills payable	-	488,933	-	-	-	488,933
Security deposits payable	-	-	-	-	1,323,104	1,323,104
Debt securities issued	16,339,425	17,699,648	28,079,788	1,754,992	623,459	64,497,312
Others	5,373,223	625,582	420,419	499,330	12,204,424	19,122,978
Total liabilities	128,759,179	125,146,180	76,107,660	7,279,069	16,776,243	354,068,331
Interest rate sensitivity gap	(6,324,650)	(72,466,022)	(63,517,608)	20,124,507	Not applicable	Not applicable

The Group's interest rate risk arises from the differences in timing between contractual maturities and repricing of interest-generating assets and interest-bearing liabilities. The Group's interest-generating assets and interest-bearing liabilities are mainly denominated in RMB and USD.

The Group manages its interest rate risk by:

- regularly monitoring the macroeconomic factors that may impact the benchmark interest rates;
- optimizing the differences in timing between contractual maturities and repricing of interest-generating assets and interest-bearing liabilities; and
- managing the deviation of the pricing of interest-generating assets and interest-bearing liabilities from the benchmark interest rates.

A principal part of the Group's management of interest rate risk is to monitor the sensitivity of projected net interest income under varying interest rate scenarios. The Group aims to mitigate the impact of prospective interest rate movements which could reduce future net interest income, while balancing the cost of such hedging on the current revenue.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's net interest income.

The sensitivity of the net interest income is based on the effect on profit before taxation of a corresponding change of 100 basis points in interest income and expense when an interest-generating asset or interest-bearing liability of less than one year is reset, reinvested or replaced with a similar asset or liability at maturity.

	Effect on profit before taxation	
	31 December 2024	*31 December 2023*
Change in basis points		
+100 basis points	(79,024)	(327,088)
-100 basis points	79,024	327,088

(b) Exchange rate risk

The Group	*31 December 2024*					
	RMB	USD (equivalent to RMB)	EUR (equivalent to RMB)	HKD (equivalent to RMB)	Others (equivalent to RMB)	Total
Assets:						
Deposits with the central bank	24,912	259	-	-	-	25,171
Cash and bank balances	22,416,521	18,828,627	45,620	32,237	80,455	41,403,460
Lease receivables	94,824,124	71,643,530	64,592	-	-	166,532,246
Other debt investments	2,266,808	623,390	-	-	-	2,890,198
Investments in other equity instruments	42,107	197,725	-	-	-	239,832
Financial assets held for trading	-	838,372	-	-	-	838,372
Prepayments	4,650,545	3,220,112	-	-	-	7,870,657
Fixed assets, right-of-use assets and construction in progress	6,073,306	170,233,254	-	7,853	-	176,314,413
Others	2,116,551	18,901,947	77,553	690,231	-	21,786,282
Total assets	132,414,874	284,487,216	187,765	730,321	80,455	417,900,631
Liabilities:						
Borrowings	99,157,431	197,531,120	537,233	-	-	297,225,784
Financial assets sold under repurchase agreements	-	1,953,808	-	-	-	1,953,808
Bills payable	2,155,563	-	-	-	-	2,155,563
Security deposits payable	324,505	896,755	-	-	-	1,221,260
Debt securities issued	11,193,346	33,751,628	-	-	-	44,944,974
Others	933,790	15,139,183	2,231,612	10,662	166,196	18,481,443
Total liabilities	113,764,635	249,272,494	2,768,845	10,662	166,196	365,982,832
Net long/(short) position	18,650,239	35,214,722	(2,581,080)	719,659	(85,741)	51,917,799

The Group	*31 December 2023*					
	RMB	USD (equivalent to RMB)	EUR (equivalent to RMB)	HKD (equivalent to RMB)	Others (equivalent to RMB)	Total
Assets:						
Deposits with the central bank	15,602	1,615	-	-	-	17,217
Cash and bank balances	11,072,584	10,863,167	202,572	27,492	74,344	22,240,159
Lease receivables	95,957,494	77,486,927	380,784	-	-	173,825,205
Other debt investments	2,046,433	802,956	-	-	-	2,849,389
Investments in other equity instruments	38,998	194,349	-	-	-	233,347
Financial assets held for trading	-	988,126	-	-	-	988,126
Prepayments	536,563	3,895,891	-	-	-	4,432,454
Fixed assets, right-of-use assets and construction in progress	8,026,773	170,747,329	-	-	-	178,774,102
Others	1,484,207	17,371,275	364,816	664,655	-	19,884,953
Total assets	119,178,654	282,351,635	948,172	692,147	74,344	403,244,952
Liabilities:						
Borrowings	47,738,096	218,936,338	330,497	-	-	267,004,931
Financial assets sold under repurchase agreements	-	1,631,073	-	-	-	1,631,073
Bills payable	488,933	-	-	-	-	488,933
Security deposits payable	246,725	1,076,379	-	-	-	1,323,104
Debt securities issued	10,222,015	54,275,297	-	-	-	64,497,312
Others	1,249,434	16,742,158	932,332	46,484	152,570	19,122,978
Total liabilities	59,945,203	292,661,245	1,262,829	46,484	152,570	354,068,331
Net long/(short)position	59,233,451	(10,309,610)	(314,657)	645,663	(78,226)	49,176,621

The table below indicates a sensitivity analysis of exchange rate changes of the currencies to which the Group had significant exposure on its monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement in the currency rates against the RMB, with all other variables held constant, on profit before taxation and other comprehensive income. A negative amount in the table reflects a potential net reduction in profit before taxation or other comprehensive income, while a positive amount reflects a potential net increase.

This effect, however, is based on the assumption that the Group's foreign exchange exposures as at the year-end are kept unchanged and, therefore, have not incorporated actions that would be taken by the Group to mitigate the adverse impact of this foreign exchange exposure on profit before taxation or other comprehensive income.

		Effect on profit before taxation		*Effect on other comprehensive income*	
Currency	*Change in exchange rate*	*31 December 2024*	*31 December 2023*	*31 December 2024*	*31 December 2023*
USD	-1%	(37,573)	51,532	199,063	180,156
HKD	-1%	1,070	(268)	-	-
EUR	-1%	469	(2,727)	194,121	158,395

While the table above indicates the effect on profit before taxation and other comprehensive income of 1% depreciation of USD, EUR and HKD against RMB, there will be an opposite effect with the same amount if the currency appreciates by the same percentage.

3. Liquidity risk

Liquidity risk is the risk that the Group is unable to provide funds for maturing liabilities through asset realization at reasonable prices on a timely basis.

The Group is exposed to specific daily calls on its available cash resources, including release of security deposit and repayment of fixed-term borrowings. The Group sets certain limits on funds available to meet such calls and on interbank and other borrowing facilities that should be in place to cover withdrawals at unexpected levels of demand.

The Risk Management Committee under the Board of Directors of the Group is responsible for setting liquidity risk management policies and the Financial Markets Department under the management of the Risk Management Committee is responsible for day-to-day liquidity risk management.

(a) As at 31 December 2024, the Group's assets and liabilities are analyzed by maturity as follows:

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	5,557	-	-	-	-	-	19,614	25,171
Cash and bank balances	23,585,170	824,056	2,221,570	6,276,376	8,496,288	-	-	41,403,460
Lease receivables	39,227	3,885,643	5,246,424	21,126,866	89,156,151	46,555,890	522,045	166,532,246
Other debt investments	-	-	-	479,233	1,792,287	618,678	-	2,890,198
Investments in other equity instruments	-	-	-	-	-	-	239,832	239,832
Financial assets held for trading	-	-	51,269	147,046	640,057	-	-	838,372
Prepayments	18,925	15	846	1,234,622	1,393,146	5,221,813	1,290	7,870,657
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	-	-	176,314,413	176,314,413
Others	12,097	19,247	92,065	2,985,753	584,727	775,353	17,317,040	21,786,282
Total assets	23,660,976	4,728,961	7,612,174	32,249,896	102,062,656	53,171,734	194,414,234	417,900,631
Liabilities:								
Borrowings	160,072	28,854,028	72,136,585	65,060,869	95,125,513	35,888,717	-	297,225,784
Financial assets sold under repurchase agreements	-	-	1,133,701	820,107	-	-	-	1,953,808
Bills payable	-	856,333	383,236	915,994	-	-	-	2,155,563
Security deposits payable	-	50,522	-	14,068	570,329	416,852	169,489	1,221,260
Debt securities issued	-	5,170,449	659,584	6,584,970	30,746,689	1,783,282	-	44,944,974
Others	2,633,517	431,296	517,896	2,423,405	7,199,534	5,275,795	-	18,481,443
Total liabilities	2,793,589	35,362,628	74,831,002	75,819,413	133,642,065	43,364,646	169,489	365,982,832
Net liquidity	20,867,387	(30,633,667)	(67,218,828)	(43,569,517)	(31,579,409)	9,807,088	194,244,745	51,917,799

As at 31 December 2023, the Group's assets and liabilities are analyzed by maturity as follows:

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	3,996	-	-	-	-	-	13,221	17,217
Cash and bank balances	15,667,197	-	185,064	3,802,222	2,585,676	-	-	22,240,159
Lease receivables	101,623	2,485,350	6,127,122	21,856,596	90,540,307	51,734,681	979,526	173,825,205
Other debt investments	-	-	-	22,579	2,023,619	803,191	-	2,849,389
Investments in other equity instruments	-	-	-	-	-	-	233,347	233,347
Financial assets held for trading	-	-	51,329	147,634	789,163	-	-	988,126
Prepayments	7,523	9,841	93	1,117,323	579,997	2,717,677	-	4,432,454
Fixed assets, right-of-use assets and construction in progress	-	-	-	-	-	-	178,774,102	178,774,102
Others	254,410	27,594	118,292	1,480,260	961,561	362,590	16,680,246	19,884,953
Total assets	16,034,749	2,522,785	6,481,900	28,426,614	97,480,323	55,618,139	196,680,442	403,244,952
Liabilities:								
Borrowings	-	27,308,443	44,954,658	101,264,405	89,340,390	4,137,035	-	267,004,931
Financial assets sold under repurchase agreements	-	-	1,631,073	-	-	-	-	1,631,073
Bills payable	-	-	-	488,933	-	-	-	488,933
Security deposits payable	161,268	189,507	-	9,066	413,623	549,640	-	1,323,104
Debt securities issued	-	86,287	8,732,793	24,218,233	29,705,007	1,754,992	-	64,497,312
Others	368,394	776,076	1,084,579	2,862,480	5,163,640	8,867,809	-	19,122,978
Total liabilities	529,662	28,360,313	56,403,103	128,843,117	124,622,660	15,309,476	-	354,068,331
Net liquidity	15,505,087	(25,837,528)	(49,921,203)	(100,416,503)	(27,142,337)	40,308,663	196,680,442	49,176,621

(b) At 31 December 2024, the Group's undiscounted contractual cash flows for financial instruments are analyzed by maturity as follows. The undiscounted contractual cash flows include principal and interest, and certain account amounts in the table below cannot directly correspond to the amounts in the balance sheet.

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	5,557	-	-	-	-	-	19,614	25,171
Cash and bank balances	23,585,170	824,418	2,228,479	6,346,030	8,847,946	-	-	41,832,043
Lease receivables	43,853	4,712,639	6,006,367	24,195,161	106,245,456	61,824,912	1,539,218	204,567,606
Other debt investments	-	-	14,285	551,673	2,053,415	1,056,335	-	3,675,708
Investments in other equity instruments	-	-	-	-	-	-	239,832	239,832
Financial assets held for trading	-	-	51,564	151,256	730,810	-	-	933,630
Prepayments	46,208	8,002	55,524	1,348,912	1,435,019	5,220,469	-	8,114,134
Other financial assets	-	-	44,856	2,192,889	57,528	663,730	17,062,713	20,021,716
Total financial assets	23,680,788	5,545,059	8,401,075	34,785,921	119,370,174	68,765,446	18,861,377	279,409,840
Liabilities:								
Borrowings	384,943	29,353,583	73,562,799	68,652,811	101,942,681	39,551,151	-	313,447,968
Financial assets sold under repurchase agreements	-	-	1,145,156	832,617	-	-	-	1,977,773
Bills payable	-	860,600	383,236	915,994	-	-	-	2,159,830
Security deposits payable	-	50,522	-	14,068	570,329	416,852	169,489	1,221,260
Debt securities issued	-	5,195,897	693,630	7,158,826	32,133,173	1,892,346	-	47,073,872
Other financial liabilities	2,585,425	99,502	150,329	1,330,913	4,901,933	4,356,285	-	13,424,387
Total financial liabilities	2,970,368	35,560,104	75,935,150	78,905,229	139,548,116	46,216,634	169,489	379,305,090

At 31 December 2023, the Group's undiscounted contractual cash flows for financial instruments are analyzed by maturity as follows. The undiscounted contractual cash flows include principal and interest, and certain account amounts in the table below cannot directly correspond to the amounts in the balance sheet.

	Overdue/ Immediate repayment	*Within 1month*	*1-3 months*	*3 months-1 year*	*1-5years*	*Over 5 years*	*Indefinite*	*Total*
Assets:								
Deposits with the central bank	3,996	-	-	-	-	-	13,221	17,217
Cash and bank balances	15,669,285	-	189,214	3,853,443	2,751,533	-	-	22,463,475
Lease receivables	101,623	2,786,486	7,211,157	25,967,030	110,536,054	68,931,696	1,728,551	217,262,597
Other debt investments	-	-	14,933	94,902	2,314,742	973,736	-	3,398,313
Investments in other equity instruments	-	-	-	-	-	-	233,347	233,347
Financial assets held for trading	-	-	51,624	151,881	919,902	-	-	1,123,407
Prepayments	40,170	11,758	13,370	1,173,744	589,040	2,326,852	-	4,154,934
Other financial assets	241,643	-	78	1,156,534	41,652	138,638	15,747,519	17,326,064
Total financial assets	16,056,717	2,798,244	7,480,376	32,397,534	117,152,923	72,370,922	17,722,638	265,979,354
Liabilities:								
Borrowings	-	23,685,784	42,565,078	54,610,278	93,134,271	65,801,991	-	279,797,402
Financial assets sold under repurchase agreements	-	-	1,654,416	-	-	-	-	1,654,416
Bills payable	-	-	-	490,000	-	-	-	490,000
Security deposits payable	161,268	189,507	-	9,066	413,623	549,640	-	1,323,104
Debt securities issued	-	100,486	8,902,853	24,579,987	31,688,960	1,881,554	-	67,153,840
Other financial liabilities	304,493	513,237	555,177	2,340,873	5,017,518	5,545,489	-	14,276,787
Total financial liabilities	465,761	24,489,014	53,677,524	82,030,204	130,254,372	73,778,674	-	364,695,549

VII. CAPITAL MANAGEMENT

The capital management of the Group focuses on capital adequacy ratios and returns on capital so as to enable the Group to meet the requirements for regulatory compliance, credit rating, risk compensation and shareholder's return. This also facilitates the Group's risk management, ensures the orderly expansion of the asset size and enhances its operational structure and business model.

The Group calculates and discloses the capital adequacy ratio based on the characteristics of leasing industry in accordance with the Measures for the Administration of Financial Leasing Companies issued by the National Financial Regulatory Administration in 2024 as well as the Measures for Administration of Capital of Commercial Banks and other requirements. The treatments related to the characteristics of the industry have been communicated with the regulatory authorities.

The capital adequacy ratios and related components of the Group are calculated in accordance with the statutory financial statements of the Group prepared under PRC GAAP. During the year, the Group has fully complied with the capital requirements stipulated by the regulatory authorities.

For information on capital management, please refer to the column "Company News - Information announcement" on the Company's website (www.icbcleasing.com).

VIII. FAIR VALUE

1. Fair value hierarchy

The level at which fair value measurement is categorized is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement. The levels of inputs are defined as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 inputs use valuation techniques, with all parameters that have a significant impact on the valuation results adopted observable market information, either directly or indirectly; and

Level 3 inputs use valuation techniques, with certain parameters that have a significant impact on the valuation results not based on observable market information.

The following is a description of the fair value of the financial instruments measured at fair value which are determined using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

Financial investments

Financial investments valued using valuation techniques mainly consist of bond investments and preference shares investments. The fair value of RMB bonds for which a valuation exists on the China Bond Information Network (CBIN) on the valuation date is determined using the latest valuation results published by CBIN. The discounted cash flow model is used to evaluate the bond investment without market quotation, and the parameters mainly include the interest rate curve of the corresponding remaining term.

Derivatives

Derivatives valued using a valuation technique with market observable inputs are mainly interest rate swaps. The most frequently applied valuation techniques include discounted cash flow model. The models incorporate various inputs including foreign exchange spot and forward rates, and interest rate yield curves, etc.

The following table presents the fair value information and the fair value hierarchy, at the end of the current reporting period, of the Group's assets and liabilities which are measured at fair value at each balance sheet date on a recurring or non-recurring basis.

The Group

	31 December 2024			
	Level 1	*Level 2*	*Level 3*	*Total*
Assets				
Investments in other equity instruments	239,832	-	-	239,832
Other debt investments	-	2,890,198	-	2,890,198
Derivative financial assets	-	29,867	-	29,867
Financial assets held for trading	-	-	838,372	838,372
Total	239,832	2,920,065	838,372	3,998,269

	31 December 2023			
	Level 1	*Level 2*	*Level 3*	*Total*
Assets				
Investments in other equity instruments	233,347	-	-	233,347
Other debt investments	-	2,849,389	-	2,849,389
Derivative financial assets	-	91,574	-	91,574
Financial assets held for trading	-	-	988,126	988,126
Total	233,347	2,940,963	988,126	4,162,436

	31 December 2023			
	Level 1	*Level 2*	*Level 3*	*Total*
Liabilities				
Derivative financial liabilities	-	64,095	-	64,095
Total	-	64,095	-	64,095

During 2024 and 2023, there were no transfers, between Level 1 and Level 2, or between Level 2 and Level 3, of the Group's above assets and liabilities which are measured at fair value on a recurring basis.

2. Fair value of other financial instruments

The Group's financial instruments not measured at fair value include cash and bank balances, deposits with the central bank, lease receivables, borrowings, debt securities issued, etc., which are at Level 2. The Group uses discounted cash flow or other valuation methods to determine their fair value.

As at the balance sheet date, the carrying amount and fair value of financial instruments are approximate, except for the financial instruments listed following:

	Carrying amount		*Fair value*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Debt securities issued	44,944,974	64,497,312	43,875,430	62,217,209

IX. CONTINGENCIES

The Company entered into agreements with its subsidiaries' loan of ICBC, ICBC Asia, Bank of Communications, Goldman Sachs, Citibank, Natixis, BNP Paribas, Credit Industriel & Commercial, Crédit Agricole Corporate and Investment Bank, Commerzbank, Bank of Tokyo-Mitsubishi UFJ, ING Bank, Bank Of China, The Export-Import Bank Of China, HSBC Syndicate, Societe Generale, Nanyang Commercial Bank, National Australia Bank Syndicate, Bank of America Syndicate, FPG Co., Ltd., ING Bank Syndicate, BNP Paribas Syndicate, Bank of Communications (Hong Kong) Co., Ltd., etc., to undertake resell service of pledged assets for foreign currency loans.

As at 31 December 2024 and 31 December 2023, the Group and the Company provided external joint and several liability guarantees to related parties (see Note V).

X. COMMITMENTS

1. Capital commitments

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Contracted but not recognized in the financial statements				
- Capital commitments	16,007,441	19,969,152	14,280,854	16,367,636
- Investment commitments	-	-	5,396,000	5,316,925
Total	16,007,441	19,969,152	19,676,854	21,684,561

2. Lease commitments

As at 31 December 2024 and 31 December 2023, the Group and the Company had lease commitments contracted as the lessor but not effective as follows:

	The Group		*The Company*	
	31 December 2024	*31 December 2023*	*31 December 2024*	*31 December 2023*
Finance lease commitments	5,793,154	1,947,752	-	1,943,101
Sale and leaseback commitments	4,347,001	3,407,841	-	-
Total	10,140,155	5,355,593	-	1,943,101

XI. SUBSEQUENT EVENTS

The Group and the Company have no significant events after the balance sheet date that need to be disclosed.

XII. COMPARATIVE FIGURES

As described in Note III.25, the Company had a business combination under the common control in 2024. In preparing the consolidated financial statements for fiscal year 2024 and comparative periods, it will be deemed to have been included in the Company's scope of consolidation when the ultimate controlling party of the Company began to exercise control over them, and the opening balance of the consolidated fiancial statements as well as the comparative statements of the prior periods are adjusted accordingly.

Certain comparative amounts have been reclassified to conform with current year's presentation.

XIII. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Company on 28 April 2025.

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