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Notice to Hong Kong investors: The Issuer and the Guarantor (as defined below) confirm that the Notes (as defined below) are intended for purchase by Professional Investors (as defined below) only and the Programme has been, and the Notes, to the extent that 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. This announcement is for distribution to Professional Investors only. Accordingly, the Issuer and the Guarantor 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 THE OFFERING CIRCULAR

HKCG (FINANCE) LIMITED

(Incorporated in Hong Kong under the Companies Ordinance with limited liability)
(the “**Issuer**”)

U.S.\$7,000,000,000

Medium Term Note Programme
(the “**Programme**”)

unconditionally and irrevocably guaranteed by



香港中華煤氣有限公司

The Hong Kong and China Gas Company Limited

(Incorporated in Hong Kong under the Companies Ordinance with limited liability)

(Stock Code: 3)

(the “**Guarantor**”)

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 (the “**Hong Kong Stock Exchange**”) (the “**Listing Rules**”).

Please refer to the offering circular dated 29 September 2026 (the “**Offering Circular**”) appended herein in relation to the U.S.\$7,000,000,000 Medium Term Note Programme (the “**Programme**”) of HKCG (Finance) Limited (the “**Issuer**”) unconditionally and irrevocably guaranteed by The Hong Kong and China Gas Company Limited (the “**Guarantor**”). As disclosed in the Offering Circular, any notes to be issued under the Programme (the “**Notes**”) will be intended for purchase by Professional Investors (as defined in Chapter 37 of the Listing Rules) only and the Programme has been, and the Notes, to the extent that such Notes are to be listed on the Hong Kong Stock Exchange, will be listed on the Hong Kong Stock Exchange on that basis.

The Offering Circular does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities.

The Offering Circular must not be regarded as an inducement to subscribe for or purchase any securities of the Issuer, and no such inducement is intended. No investment decision should be made based on the information contained in the Offering Circular.

Hong Kong, 30 September 2026

As at the date of this announcement, the board of directors of the Guarantor comprises:

Non-executive Directors:

Dr. the Hon. Lee Ka-kit (*Chairman*)
Dr. Lee Ka-shing (*Chairman*)
Dr. Colin Lam Ko-yin
Prof. Andrew Fung Hau-chung

Independent Non-executive Directors:

Dr. the Hon. Sir David Li Kwok-po
Prof. the Hon. Poon Chung-kwong
Dr. the Hon. Moses Cheng Mo-chi
Prof. Anna Wong Wai-kwan

Executive Directors:

Mr. Peter Wong Wai-yee (*Managing Director*)
Mr. Yeung Lui-ming (*Chief Financial Officer*)
Mr. Chan Ying-lung (*Chief Investment Officer*)

As at the date of this announcement, the board of directors of the Issuer comprises Mr. Peter Wong Wai-yee, Mr. Yeung Lui-ming and Mr. Lawrence Fok Chi-cheong.

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES OR, IN RESPECT OF ANY OFFERING OF SECURITIES UNDER CATEGORY 2 OF REGULATION S OF THE SECURITIES ACT, TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the 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 UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND SECURITIES IN BEARER FORM ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE SECURITIES MAY NOT BE OFFERED OR SOLD OR (IN THE CASE OF NOTES IN BEARER FORM) DELIVERED INTO OR WITHIN THE UNITED STATES OR, IN RESPECT OF ANY OFFERING OF SECURITIES UNDER CATEGORY 2 OF REGULATION S OF THE SECURITIES ACT, TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED, IN RESPECT OF ANY OFFERING OF SECURITIES UNDER CATEGORY 2 OF REGULATION S OF THE SECURITIES ACT, TO ANY U.S. PERSON OR TO ANY ADDRESS IN THE UNITED STATES. ANY 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.

Confirmation of your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities, investors must not be located in the United States. This Offering Circular is being sent at your request and by accepting the e-mail and accessing this Offering Circular, you shall be deemed to have represented to us that you are outside the United States or, in respect of any offering of securities under Category 2 of Regulation S, you shall be deemed to have represented to us that you are outside the United States and you are not a U.S. person or acting for the account or benefit of a U.S. person. In addition you shall be deemed to have represented to us that the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States and that you consent to 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 this Offering Circular to any other person.

The materials relating to the offering of securities to which this Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer (as defined below) 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 HKCG (Finance) Limited (the "Issuer"), The Hong Kong and China Gas Company Limited (the "Guarantor"), the Arrangers (as defined in this Offering Circular) and the Dealers (as defined in this Offering Circular), or any additional Arrangers or Dealer appointed under the Programme, any person who controls any of the Arrangers or the Dealers, any director, officer, employee nor agent of the Issuer or the Guarantor or the Arrangers or the Dealers, 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.



HKCG (Finance) Limited
(incorporated with limited liability in Hong Kong)

U.S.\$7,000,000,000
Medium Term Note Programme
Unconditionally and irrevocably guaranteed by
The Hong Kong and China Gas Company Limited
(incorporated with limited liability in Hong Kong)

(Stock Code: 003)

HKCG (Finance) Limited (the “Issuer”) established this Medium Term Note Programme (the “Programme”) on 21 May 2009, as amended and/or supplemented from time to time. This Offering Circular describes the Programme and supersedes any previous offering circular (including supplement thereto) issued in respect of the Programme prior to the date hereof. Any Notes (as defined below) issued under this Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued prior to the date of this Offering Circular.

Under the Programme, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the “Notes”) denominated in any currency agreed between the Issuer, the Guarantor and the relevant Dealer (each as defined below).

The payments of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by The Hong Kong and China Gas Company Limited (“HKCG” or the “Guarantor”).

Notes may be issued in bearer or registered form (respectively “Bearer Notes” and “Registered Notes”). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$7,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes and the Guarantee (as defined under “Terms and Conditions of the Notes”) have not been and will not be registered under the Securities Act or any U.S. State securities laws, and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or, in respect of any offering of securities under Category 2 of Regulation S, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S). For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this Offering Circular, see “Subscription and Sale”.

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 (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 for 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 under which 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 during the 12-month period after the date of this document on the Hong Kong Stock Exchange. This document is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and the Guarantor 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 Guarantor 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 Guarantor and the Group 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 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.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “Terms and Conditions of the Notes”) of Notes will be set out in a pricing supplement (the “Pricing Supplement”) which, with respect to Notes to be listed on the Hong Kong Stock Exchange, will be delivered to the Hong Kong Stock Exchange on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer, the Guarantor and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Notes issued under the Programme may be rated or unrated. Where an issue of certain series of Notes is 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, change or withdrawal at any time by the assigning rating agency.

The Issuer and the Guarantor may agree with any Dealer that the Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes intended to be listed on the Hong Kong Stock Exchange) a supplementary offering circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “Risk Factors”.

Arrangers

HSBC

UBS

Dealers

ANZ
BofA Securities
DBS Bank Ltd.
Morgan Stanley
Standard Chartered Bank

Bank of China (Hong Kong)
BNP PARIBAS
HSBC
MUFG
UBS

Barclays
Crédit Agricole CIB
Mizuho
SMBC Nikko
United Overseas Bank

The date of this Offering Circular is 29 September 2026.

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKSE Rules”) for the purpose of giving information with regard to the Issuer, the Guarantor and the Group. Each of the Issuer and the Guarantor accepts full responsibility for the accuracy of the information contained in this Offering Circular 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.

In relation to Notes that will be listed on the Hong Kong Stock Exchange, this Offering Circular may only be distributed to Professional Investors (see “*Subscription and Sale – Hong Kong*”).

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 and the Guarantor and the Group or the 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.

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*” below). This Offering Circular shall be read and construed on the basis that such documents are so incorporated and form part of this Offering Circular.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (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, stabilisation may not necessarily occur. Any stabilisation action 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 cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

No person is or has been authorised by the Issuer or the Guarantor to give any information or to make any representations not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Guarantor, the Arrangers (as specified under “*Summary of the Programme*”) or any of the Dealers.

None of the Arrangers nor the Dealers has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arrangers, the Dealers or any of them as to the accuracy or completeness of the information contained or incorporated in this Offering Circular (including any website and any content appearing on such website) or any other information provided by the Issuer or the Guarantor in connection with the Programme. None of the Arrangers or the Dealers accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular (including any website and any content appearing on such website) or any other information provided by the Issuer or the Guarantor in connection with the Programme.

To the fullest extent permitted by law, none of the Dealers or the Arrangers accepts 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, or on its behalf, in connection with the Issuer, the Guarantor, the Group, the Programme, the Guarantee or the issue and offering of the Notes. Each Arranger and Dealer 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 other information supplied in connection with the Programme or any Notes is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuer, the Guarantor, the Arrangers or the Dealers that any recipient of this Offering Circular should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor. 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 Guarantor, any of the Arrangers or the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arrangers and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.

The Notes and the Guarantee (as defined under “Terms and Conditions of the Notes”) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or any U.S. State securities laws, and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or, in respect of any offering of securities under Category 2 of Regulation S under the Securities Act (“Regulation S”), the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S). For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this Offering Circular, see “Subscription and Sale”.

PRIIPs/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 Directive 2014/65/EU (as amended, “MiFID II”) or (ii) a customer within the meaning of Directive (EU) 2016/97 (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 (as amended the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION – 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”, 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 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 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/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 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 subsequently offering, selling or recommending the Notes should take into consideration the 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 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.

Notice to capital market intermediaries and prospective investors pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to the Programme, each such offering, a “CMI Offering”, including certain Dealers, may be “capital market intermediaries” (the “CMIs”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “SFC Code”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“OCs”) for 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 Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association (“Association”) with the Issuer, the Guarantor, the CMI or the relevant group company.

Prospective investors associated with the Issuer, the Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the 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 or the Guarantor 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% 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 Guarantor, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

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. 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 Guarantor, the Arrangers and the Dealers 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 assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Arrangers or the Dealers 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 the Notes in the United States, the European Economic Area, the United Kingdom, Japan, Hong Kong, the People's Republic of China and Singapore. See "*Subscription and Sale*".

In making an investment decision, investors must rely on their own examination of the Issuer and the Guarantor and the terms of the Notes being offered, including the merits and risks involved. The Notes and the Guarantee have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

None of the Arrangers, the Dealers, the Issuer or the Guarantor makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

PRESENTATION OF FINANCIAL INFORMATION

HKCG publishes its financial statements in Hong Kong dollars. Unless otherwise specified, where financial information in relation to HKCG has been translated into U.S. dollars, it has been so translated, for the convenience of the reader, at an exchange rate of HK\$7.80 = U.S.\$1.00. No representation is made that Hong Kong dollars have been, could have been, or could be, converted into U.S. dollars at the rate indicated or at any other rate.

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

CERTAIN DEFINITIONS

Unless otherwise specified or the context requires, references herein to U.S. dollars and U.S.\$ are to the lawful currency of the United States of America (the “U.S.A.” or “United States”), references to Hong Kong dollars, HK dollars and “HK\$” are to the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), references to “Renminbi” and “RMB” are to the lawful currency of the People’s Republic of China (the “PRC”), references to “Sterling” and “£” are to the lawful currency of the United Kingdom, references to “AUD” are to the lawful currency of Australia and references to “euro” and “€” are to the lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty establishing the European Community, as amended from time to time.

In addition, references to “PRC” or “China” or “Chinese Mainland” are to the PRC and for geographical reference only (unless otherwise stated) exclude Taiwan, Hong Kong and Macau. All references to the “Issuer” herein are to HKCG (Finance) Limited, a company incorporated in Hong Kong with limited liability. All references to “HKCG” or the “Company” herein are to The Hong Kong and China Gas Company Limited, a company incorporated in Hong Kong with limited liability, and its direct and indirect subsidiaries, unless the context otherwise requires, and references in HKCG’s consolidated financial statements included elsewhere in this Offering Circular to the “Group” are to HKCG and all of its direct and indirect subsidiaries and also includes HKCG’s interest in associated companies and jointly controlled entities on the basis set forth in the notes and statements included elsewhere in this Offering Circular. Certain of HKCG’s subsidiaries are not wholly owned, as described more fully herein.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements including, without limitation, words and expressions such as “expect”, “believe”, “plan”, “intend”, “estimate”, “project”, “anticipate”, “may”, “will”, “would”, “could” or similar words or statements, in particular, in the section entitled “Description of HKCG” in this Offering Circular in relation to future events, HKCG, its prospects, its expected financial condition, its business strategies, the future developments of HKCG’s operations and industry and the future development of the general domestic, regional and global economy.

These statements are based on numerous assumptions regarding HKCG’s present and future business strategy and the environment in which it expects to operate in the future. HKCG’s future results could differ materially from those expressed or implied by such forward-looking statements and although these forward-looking statements reflect its current view of future events, they are not a guarantee of future performance. In addition, HKCG’s future performance may be affected by various factors and risks including, without limitation, those discussed in the section entitled “Risk Factors” and the following:

- the continued performance by HKCG’s suppliers of natural gas and naphtha for HKCG’s core business in Hong Kong;
- future developments and competition in the piped city-gas and other energy industries in Hong Kong and the PRC;
- availability and cost of materials, equipment and manpower to complete plans for HKCG’s various projects in the PRC;
- timely receipt of appropriate regulatory approvals for HKCG’s planned business activities in the PRC, which may affect HKCG’s cash flows, operations and capital expenditures;
- HKCG’s ability to implement its business strategy successfully, including its investment in growth businesses including renewable energy, green methanol, hydrogen energy, SAF and extended businesses, to increase profitability;
- any changes in government regulation and oversight of HKCG’s operations, pricing practices or organisational structure; or
- the condition of and changes in the Hong Kong, PRC, Asian or global economies in general.

Should one or more of these or other risks or uncertainties materialise, or should any underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Prospective investors are strongly advised to exercise caution when using any of these forward-looking statements to evaluate the Issuer’s or HKCG’s prospects.

In this Offering Circular, statements of, or references to, intentions of the Issuer or HKCG or those of any of the directors of any of them are made as at the date of this Offering Circular. Any such intentions may change in light of future developments.

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and to form part of, this Offering Circular:

- (a) (i) the most recent audited annual financial statements of the Issuer that have been filed with the Companies Registry of Hong Kong (if any) and (ii) the two most recently published annual audited consolidated financial statements of HKCG and, if published later, the most recently published half yearly unaudited condensed consolidated interim financial statements of HKCG. See “*General Information – Documents*” for a description of the financial statements currently published by the Issuer and HKCG;
- (b) each relevant Pricing Supplement; and
- (c) all supplements or amendments to this Offering Circular circulated by the Issuer and HKCG from time to time,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement with effect from the date of such subsequent document (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

Copies of HKCG’s published audited annual consolidated financial statements and its unaudited condensed consolidated interim financial statements may be downloaded free of charge from the website of the Hong Kong Stock Exchange at www.hkexnews.hk.

A copy of any or all of the documents deemed to be incorporated herein by reference will be available free of charge from the registered office of the Issuer and the Guarantor and from the specified office of The Bank of New York Mellon, London Branch (the “Fiscal Agent”) (or such other Paying Agent for the time being in Hong Kong) upon prior written notice and satisfactory proof of holding.

Each of the Issuer and the Guarantor has undertaken to the Arrangers and the Dealers in the Programme Agreement (as defined in “Subscription and Sale”) that, in the event of:

- (a) a significant new factor, material mistake or inaccuracy relating to the information included in the Offering Circular which is capable of affecting the assessment of the Notes arising or being noted; or
- (b) change in the condition of the Issuer and/or the Guarantor and/or the Material Subsidiaries (as defined under “Terms and Conditions of the Notes”) which is material in the context of the Programme or the issue of any Notes; or
- (c) the Offering Circular otherwise coming to contain an untrue statement of a material fact or omitting to state a material fact necessary to make the statements contained therein not misleading or if it is necessary at any time to amend the Offering Circular to comply with, or reflect changes in, the laws or regulations of Hong Kong,

the Issuer and the Guarantor shall update or amend the Offering Circular by the publication of a supplement to it or a new offering circular, in each case in a form approved by the Dealers.

If the terms of the Programme are modified or amended in a manner which would make this Offering Circular, as so modified or amended, inaccurate or misleading, a new offering circular will be prepared.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject to as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer, the Guarantor and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “Form of the Notes”.

This Offering Circular and any supplement will only be valid for listing Notes on the Hong Kong Stock Exchange during the period of 12 months from the date of this Offering Circular in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed U.S.\$7,000,000,000 or its equivalent in other currencies. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in Hong Kong, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the Hong Kong foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;
- (b) the U.S. dollar equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and
- (c) the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “Form of the Notes”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meanings in this summary.

Issuer	HKCG (Finance) Limited
Issuer Legal Entity Identifier (LEI)	254900LEJ9L89KEFOV05
Guarantor	The Hong Kong and China Gas Company Limited
Description	Medium Term Note Programme
Arrangers	The Hongkong and Shanghai Banking Corporation Limited and UBS AG Hong Kong Branch
Dealers	Australia and New Zealand Banking Group Limited Bank of China (Hong Kong) Limited Barclays Bank PLC BNP PARIBAS Crédit Agricole Corporate and Investment Bank DBS Bank Ltd. The Hongkong and Shanghai Banking Corporation Limited Merrill Lynch (Asia Pacific) Limited Mizuho Securities Asia Limited Morgan Stanley & Co. International plc MUFG Securities EMEA plc SMBC Nikko Securities (Hong Kong) Limited Standard Chartered Bank UBS AG Hong Kong Branch United Overseas Bank Limited and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “Subscription and Sale”) including the following restrictions applicable at the date of this Offering Circular.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in Section 19 of the FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “*Subscription and Sale*”.

Fiscal Agent and Paying Agent	The Bank of New York Mellon, London Branch
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Transfer Agent and Registrar .	The Bank of New York Mellon SA/NV, Dublin Branch
CMU Lodging and Paying Agent.	The Bank of New York Mellon, Hong Kong Branch
Programme Size.	Up to U.S.\$7,000,000,000 (or its equivalent in other currencies calculated as described under “General Description of the Programme”) outstanding at any time. The Issuer and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution.	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies.	Subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer, the Guarantor and the relevant Dealer.
Denomination of Notes	The Notes will be issued in such denominations as may be agreed between the Issuer, the Guarantor and the relevant Dealer and as indicated in the applicable Pricing Supplement save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “ <i>Certain Restrictions – Notes having a maturity of less than one year</i> ” above.
Status of the Notes.	The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and will rank at all times <i>pari passu</i> and without any preference among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured and unsubordinated obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.
Guarantee	The Notes will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under such guarantee will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and will rank <i>pari passu</i> and (save for certain obligations required to be preferred by law) equally with all other unsecured and unsubordinated obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.
Maturities	Such maturities as may be agreed between the Issuer, the Guarantor and the relevant Dealer and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer, the Guarantor or the relevant Specified Currency.
Issue Price.	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Form of Notes	The Notes will be issued in bearer or registered form as described in “Form of the Notes”. Registered Notes will not be exchangeable for Bearer Notes and vice versa.
Fixed Rate Notes	Fixed interest will be payable on such date or dates as may be agreed between the Issuer, the Guarantor and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer, the Guarantor and the relevant Dealer.
Floating Rate Notes	Floating Rate Notes will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating (i) if “2006 ISDA Definitions” is specified in the applicable Pricing Supplement, the 2006 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; or (ii) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA on its website (www.isda.org) as at the Issue Date of the first Tranche of the Notes; or (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (c) on such other basis as may be agreed between the Issuer, the Guarantor and the relevant Dealer. The margin (if any) relating to such floating rate will be agreed between the Issuer, the Guarantor and the relevant Dealer for each series of Floating Rate Notes.
Benchmark Replacement	The Benchmark Replacement provisions as set out in the “ <i>Terms and Conditions of the Notes</i> ” will apply if a Benchmark Event occurs.
Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the Issuer, the Guarantor and the relevant Dealer may agree.
Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes	Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer, the Guarantor and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer, the Guarantor and the relevant Dealer.

Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer, the Guarantor and the relevant Dealer may agree.
Zero Coupon Notes	Zero Coupon Notes will be offered and sold at a discount to their nominal amount, or offered and sold at their nominal amount and be redeemed at a premium, and will not bear interest.
Redemption	The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer, the Guarantor and the relevant Dealer. The applicable Pricing Supplement may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Pricing Supplement. Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see “<i>Certain Restrictions – Notes having a maturity of less than one year</i>” above.
Redemption at the Option of the Issuer (Make Whole Redemption).	If Issuer Call (Make Whole Redemption) is specified in the applicable Pricing Supplement, 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, in whole or in part, the Notes on any Make Whole Optional Redemption Date. Any such redemption of Notes shall be at their Make Whole Redemption Amount together with interest accrued to the date fixed for redemption.
Taxation	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction (as defined in Condition 8), subject as provided in Condition 8. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted. <i>In making an investment decision, each prospective investor is strongly recommended to consult its own professional advisers in respect of the tax implications of holding the Notes, see “Taxation”.</i>
Negative Pledge	The terms of the Notes will contain a negative pledge provision as further described in Condition 4.
Cross Default.	The terms of the Notes will contain a cross default provision as further described in Condition 10.

Rating	Notes issued under the Programme may be rated or unrated. Where an issue of certain series of Notes is 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.
Listing and admission to trading	Application has been made to the Hong Kong Stock Exchange for the listing of the Programme for the 12-month period after the date of this Offering Circular on the Hong Kong Stock Exchange under which Notes may be issued by way of debt issues to Professional Investors only. 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 relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Hong Kong Stock Exchange (or listed, traded or quoted on or by any other competent authority, exchange or quotation system). Notes listed on the Hong Kong Stock Exchange will be required to have a denomination of at least HK\$500,000 (or its equivalent in other currencies). The Notes may also be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer in relation to each Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchange(s) and/or markets.
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.
Clearing Systems	The CMU, Euroclear, Clearstream, and/or any other clearing system as specified in the applicable Pricing Supplement, see “ <i>Form of the Notes</i> ”.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area, the United Kingdom, Japan, Hong Kong, the PRC and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “ <i>Subscription and Sale</i> ”.

United States Selling

Restrictions

Regulation S, Category 1 or Category 2, as specified in the applicable Pricing Supplement. TEFRA C or D/TEFRA not applicable, as specified in the applicable Pricing Supplement.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. The Notes will be issued outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“Regulation S”).

Notes to be listed on the Hong Kong Stock Exchange will be accepted for clearance through Euroclear Bank SA/NV (“Euroclear”) and/or Clearstream Banking S.A. (“Clearstream”) and/or the CMU (as defined below) and/or any other clearing system as specified in the applicable Pricing Supplement.

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will initially be issued in the form of a temporary bearer global note (a “Temporary Bearer Global Note”) or, if so specified in the applicable Pricing Supplement, a permanent bearer global note (a “Permanent Bearer Global Note”, and together with a Temporary Bearer Global Note, the “Bearer Global Notes”, and each a “Bearer Global Note”) which, in either case, will be delivered on or prior to the original issue date of the Tranche to either (i) a common depositary (the “Common Depositary”) for Euroclear and/or Clearstream or (ii) a sub-custodian for the Hong Kong Monetary Authority (“HKMA”) as operator of the Central Moneymarkets Unit Service (the “CMU”).

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note only to the extent that certification to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream and/or (in case of the Bearer Global Notes delivered to the CMU) The Bank of New York Mellon, Hong Kong Branch (the “CMU Lodging and Paying Agent”) and (in the case of a Temporary Bearer Global Note delivered to a Common Depositary for Euroclear and/or Clearstream) Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Fiscal Agent (as defined in “Terms and Conditions of the Notes”).

On and after the date which is 40 days after a Temporary Global Note is issued (the “Exchange Date”), interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Bearer Global Note of the same Series, or (b) for definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Pricing Supplement and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Pricing Supplement), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that the purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The CMU may require that any such exchange for a Permanent Global Bearer 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 Issue 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. For holders who have not provided the appropriate certification of beneficial ownership by the Exchange Date, or who exclude a portion of their holding (being interests certified as held by persons who are not qualified to receive such interests) from such certification, the uncertified or excluded portion of their holding in the relevant Temporary Global Note will be blocked and excluded by the CMU from any entitlement to exchange.

The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note held by a Common Depositary for Euroclear and/or Clearstream will be made through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any requirement for certification.

In respect of a Bearer Global Note representing Notes 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 Bearer Global Note are credited (as set out in the records of the CMU) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant Bearer Global Note shall be required for such purpose. For the purposes of this paragraph, "Clearing System Business Day" means a day on which the CMU is operating and open for business.

The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, "Exchange Event" means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, and in the case of Notes cleared through the CMU, the CMU, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system is available, or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Bearer Notes represented by the Permanent Bearer Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, (a) in the case of Notes held by a Common Depositary for Euroclear and/or Clearstream, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note), or (b) in the case of Notes held through the CMU, the relevant account holders therein, may give notice to the Fiscal Agent or, as the case may be, the CMU Lodging and Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Fiscal Agent or, as the case may be, the CMU Lodging and Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Fiscal Agent or, as the case may be, the CMU Lodging and Paying Agent.

The following legend will appear on all Bearer Notes (other than Temporary Bearer Global Notes) receipts and interest coupons relating to such Notes where TEFRA D is specified in the applicable Pricing Supplement:

"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."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, receipts or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear, Clearstream or the CMU, as the case may be.

Registered Notes

The Registered Notes of each Tranche will initially be represented by a global note in registered form (a “Registered Global Note”, and together with any Bearer Global Note, the “Global Notes”), which will be sold outside the United States (and, in the case of Notes being offered or sold in reliance on Category 2 of Regulation S, only to non-U.S. persons outside the United States). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream or the CMU and such Registered Global Note will bear a legend regarding such restrictions on transfer.

Registered Global Notes will (i) be deposited with, and registered in the name of a nominee of, a Common Depositary for Euroclear and Clearstream, or (ii) be deposited with a sub-custodian for the HKMA as operator of the CMU, as specified in the applicable Pricing Supplement. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest or any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6.4) as the registered holder of the Registered Global Notes. None of the Issuer, the Guarantor, the Fiscal Agent, any Paying Agent, the Transfer Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “Exchange Event” means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, and in the case of Notes held through the CMU, the CMU, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system is available, or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered where the Notes represented by the Registered Global Notes in definitive form.

The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, (a) in the case of Notes registered in the name of a nominee for a Common Depositary for Euroclear and/or Clearstream, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Registered Global Note), and/or (b) in the case of Notes held through the CMU, the relevant account holders therein, may give notice to the Registrar or, as the case may be, the CMU Lodging and Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar or, as the case may be, the CMU Lodging and Paying Agent requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar or, as the case may be, the CMU Lodging and Paying Agent.

For so long as any Registered Notes are represented by a Registered Global Note, payments of interest and payments of instalments of principal (other than the final instalment) in respect of such Registered Global Note will be made to the person shown on the Register as the registered holder of the Registered Global Note at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and/or Clearstream, a day on which Euroclear and/or Clearstream are open for business, and in respect of Notes clearing through the CMU, a day on which the CMU is open for business) before the relevant due date. Payment of the interest due in respect of each Registered Global Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Global Note.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear, Clearstream and the CMU, in each case to the extent applicable.

General

Pursuant to the Agency Agreement (as defined under “Terms and Conditions of the Notes”), the Fiscal Agent or, as the case may be, the CMU Lodging and Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes upon issuance, the Notes of such further Tranche shall be assigned the same common code and ISIN and, where applicable, the same CMU instrument number as the Notes of the existing Tranche of the same Series from the Issue Date of the further Tranche. Where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes but is not immediately fungible with the Notes of that existing Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CMU instrument number which are different from the common code, ISIN and CMU instrument number assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act), if any, applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream and/or the CMU, each person (other than Euroclear, Clearstream or the CMU) who is for the time being shown in the records of Euroclear, Clearstream or the CMU as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and their agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purposes the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note (being, in each case, the nominee for the relevant common depositary or sub-custodian) shall be treated by the Issuer, the Guarantor and any Agent as the sole legal holder of such nominal amount of such Notes, and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. Notwithstanding the above, each Agent may, for operational purposes, refer to the records of Euroclear, Clearstream or the CMU to identify the interests of accountholders in a Global Note, but such reference shall not confer on any accountholder the status of a Noteholder or holder of Notes for any purpose other than as expressly provided in the Deed of Covenant. If a Note (whether in global or definitive form) is held through a sub-custodian for or registered with the CMU, any payment that is made in respect of such Note shall be made to the person(s) for whose account(s) interests in such Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Issue 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 as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note.

Any reference herein to Euroclear and/or Clearstream and/or the CMU shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then from 8:00 p.m. (London time) on such day holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream and/or the CMU, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream and/or the CMU on and subject to the terms of an amended and restated deed of covenant (the “Deed of Covenant”) dated 29 September 2026 and executed by the Issuer.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.

[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”); (ii) a customer within the meaning of Directive (EU) 2016/97 (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 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

[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 (“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 (“POATRs”). 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.]²

[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]; 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”) 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

1 Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

2 Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

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 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.]

[Notification under Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”) – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), 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”]/[capital markets products other than “prescribed capital markets products”] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]/[To insert appropriate notice if classification of the Notes is not “prescribed capital markets products”, pursuant to Section 309B of the SFA or “Excluded Investment Products”.]³

[Date]

HKCG (Finance) Limited (the “Issuer”)

Legal entity identifier (LEI): 254900LEJ9L89KEFOV05

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] [due [•]] (the “Notes”)

Guaranteed by The Hong Kong and China Gas Company Limited (the “Guarantor”) under the U.S.\$7,000,000,000

Medium Term Note Programme (the “Programme”)

This document constitutes the pricing supplement (the “Pricing Supplement”) relating to the issue of 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 29 September 2026 (the “Offering Circular”). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such 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 Conditions (the “Conditions”) set forth in the Offering Circular dated [original date] [and the supplement to it dated [date] (together, the “Offering Circular”)] which are incorporated by reference in the Offering Circular. 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 [original date] and are attached hereto.]

[This Pricing Supplement, together with the Offering Circular dated [original date] [and the supplement to it dated [date]], 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 each of the Issuer, the Guarantor and the Group (as defined in the Offering Circular). The

3 Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA. If there is a change as to product classification for the relevant drawdown, from the upfront classification embedded in the programme documentation, then the legend is to be completed accordingly.

Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this Pricing Supplement 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.

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 (the “Hong Kong Stock Exchange”)) (“Professional Investors”) only.

[Notice to Hong Kong investors: The Issuer and the Guarantor confirm that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer and the Guarantor confirm that the 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, the Guarantor or 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.]

[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 subparagraphs. 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 | (a) Issuer: | HKCG (Finance) Limited |
| | (b) Guarantor: | The Hong Kong and China Gas Company Limited |
| 2 | (a) Series Number: | [•] |
| | (b) Tranche Number: | [•] <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| | (c) Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with <i>[identify earlier Tranches]</i> on [the Issue Date/the date that is 40 days after 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] |
| 3 | Specified Currency or Currencies: | [•] |

- 4 Aggregate Nominal Amount:
- (a) Series: [•]
- (b) Tranche: [•]
- 5 [(a)] Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
- [(b)] Net Proceeds: [•] (required only for listed issues)]
- 6 (a) Specified Denominations: [•]
- (N.B.— where multiple denominations above [€100,000] or equivalent are being used with respect to Bearer Notes, the following sample wording should be followed: “[€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].”)*
- (N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the [€100,000] minimum denomination is not required.)(In the case of Registered Notes, this means the minimum integral amount in which transfers can be made.)*
- (b) Calculation Amount: [•]
- (If only one Specified Denomination, insert the Specified Denomination.*
If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)
- 7 (a) Issue Date: [•]
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
- 8 Maturity Date: [Fixed rate — specify date/Floating rate — Interest Payment Date falling on or nearest to [specify month and year]]⁴

4 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]
[[EURIBOR/HIBOR/CNH HIBOR] +/-
[•] 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]
[Index Linked Redemption]
[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]
[Issuer Call]
[Issuer Call (Make Whole Redemption)]
[(further particulars specified below)]
- 13 Date Board approval for issuance of Notes obtained: [•] [and [•], respectively]]
- 14 Listing: [Hong Kong Stock Exchange/specify other/None]⁵
- 15 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 16 Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: [•] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [[•] in each year up to and including the Maturity Date]/
[specify other]⁶
(Amend appropriately in the case of irregular coupons)

⁵ If the Notes are to be listed, specify expected listing date.

⁶ Note that for certain Renminbi and Hong Kong dollar denominated Fixed Rate Notes the Interest Payment Dates are subject to modification, the following words should be added: “provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. For these purposes, “Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong and [•].”

- (c) Fixed Coupon Amount(s): [•] per Calculation Amount⁷
- (d) Broken Amount(s): [[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]] [Not Applicable]
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or Actual/365 (Fixed)⁸ [specify other]]
- (f) [Determination Date(s): [•] in each year
(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)]
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/give details]
- 17 Floating Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/ Specified Interest Payment Dates: [•][, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/[specify other]] [Not Applicable]
- (c) Additional Business Centre(s): [•]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount: [•] as the Calculation Agent

⁷ For Renminbi and 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 CNY0.01, CNY0.005 for 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."

⁸ Applicable to Hong Kong dollar denominated Fixed Rate Notes and Renminbi denominated Fixed Rate Notes.

(f) Screen Rate Determination:

- Reference Rate: [•]
(Either EURIBOR, HIBOR, CNH HIBOR, SOFR Compounded Index or other, although additional information is required if other — including fallback provisions in the Conditions)
- Interest Determination Date(s): [•]
[(First day of each Interest Period if HIBOR, the second day on which T2 is open prior to the start of each Interest Period if EURIBOR, or the second Hong Kong business day prior to the start of each Interest Period if CNH HIBOR)]
- Relevant Screen Page: [•]
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(g) Screen Rate Determination (SOFR):

- Reference Rate: SOFR Compounded Index
- Interest Determination Date(s): The [•] U.S. Government Securities Business Day prior to the last day of each Interest Period
(no less than five U.S. Government Securities Business Days prior to the last day of each Interest Period)
- SOFR Observation Shift Day(s): [•] U.S. Government Securities Business Days
- SOFR Index_{Start}: [•] U.S. Government Securities Business Days
- SOFR Index_{End}: [•] U.S. Government Securities Business Days

(h) ISDA Determination:

- Floating Rate Option: [•]
- Designated Maturity: [•]
- Reset Date: [•]

(i) Margin(s): [+/-] [•] per cent. per annum

(j) Minimum Rate of Interest: [•] per cent. per annum

(k) Maximum Rate of Interest: [•] per cent. per annum

- (l) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360] [360/360] [Bond Basis]
[30E/360] [Eurobond Basis]
[30E/360 (ISDA)]
[Other]
(See Condition 5 for alternatives)
- (m) 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: [•]
- 18 Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: [•] per cent. per annum
- (b) Reference Price: [•]
- (c) Any other formula/basis of determining amount payable: [•]
- (d) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 7.8(c) and 7.13 apply/specify other]
(Consider applicable day count fraction if not U.S. dollar denominated)
- 19 Index Linked Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Index/Formula: [give or annex details]
- (b) Calculation Agent: [•]
- (c) Party responsible for calculating the Rate of Interest and Interest Amount: [•] as the Calculation Agent

- (d) 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]*
- (e) Specified Period(s)/ Specified Interest Payment Dates: [•]
- (f) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]
- (g) Additional Business Centre(s): [•]
- (h) Minimum Rate of Interest: [•] per cent. per annum
- (i) Maximum Rate of Interest: [•] per cent. per annum
- (j) Day Count Fraction: [•]
- 20 Dual Currency Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate of Exchange/method of calculating Rate of Exchange: *[give or annex details]*
- (b) Party, if any, responsible for calculating the principal and/or interest due (if not the Fiscal Agent): [•]
- (c) 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]*
- (d) Person at whose option Specified Currency(ies) is/are payable: [•]

PROVISIONS RELATING TO REDEMPTION

- 21 Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): [•]

- (b) Optional Redemption Amount: [[•] per Calculation Amount/*specify other/see Appendix*]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [•] per Calculation Amount
- (ii) Maximum Redemption Amount: [•] per Calculation Amount
- (d) Notice period: [•]
(N.B. Condition 7.3 sets a default of not less than 15 nor more than 30 days' notice to Noteholders. When setting notice periods, 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 Fiscal Agent)
- 22 Issuer Call (Make Whole Redemption): [Applicable/Not Applicable]
 (If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Make Whole Optional Redemption Date(s): [•]
- (b) Reference Security: [•]
- (c) Reference Security Price: [•]
- (d) Make Whole Redemption Margin: [•]
- (e) Quotation Time: [•]
- (f) If redeemable in part: [Applicable/Not Applicable]
 (If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Minimum Redemption Amount: [•] per Calculation Amount
- (ii) Maximum Redemption Amount: [•] per Calculation Amount
- (g) Make Whole Redemption Amount: [•]
- (h) Similar Security Determination Time: [•]

- 23 Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): [•]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[•] per Calculation Amount/specify other/see Appendix]
- (c) Notice period: [•]
(N.B. Condition 7.5 sets a default of not less than 15 nor more than 30 days' notice. 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 Fiscal Agent.)
- 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 Condition 7.8): [[•] per Calculation Amount/specify other/see Appendix]
(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be.)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 26 Form of Notes: [Bearer Notes:
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Bearer Notes upon an Exchange Event]⁹
- [Temporary Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Bearer Notes upon an Exchange Event]¹⁰

9 Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice option should not be expressed to be applicable if the Specified Denomination 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]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Bearer Notes.

10 Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice option should not be expressed to be applicable if the Specified Denomination 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]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Bearer Notes.

[Registered Notes:

Registered Global Note

[registered in the name of a nominee for a common depository for Euroclear and Clearstream/held through the CMU]]

- 27 Additional Financial Centre(s) or other special provisions relating to Payment Day: [Not Applicable/*give details*]
[For the avoidance of doubt, “Payment Day” for the Notes shall include the following:
- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Hong Kong [and] [*repeat the details of the Additional Financial Centre(s) as per above if applicable*/New York City¹¹/London¹²/Sydney¹³/Auckland¹⁴];
 - (b) [a day on which T2 is open]¹⁵;
- (Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraphs 17(c) and 19(g) relate)*
- 28 Talons for future Coupons or Receipts to be attached to Definitive 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. N.B. 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: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Instalment Amount(s): [*give details*]
 - (b) Instalment Date(s): [*give details*]

11 For USD denominated drawdowns.

12 For sterling denominated drawdowns.

13 For Australian dollar denominated drawdowns.

14 For New Zealand dollars denominated drawdowns.

15 For euro denominated drawdowns.

31 Other terms or special conditions: [Not Applicable/*give details*]

DISTRIBUTION

32 (a) If syndicated, names of Managers: [Not Applicable/*give names*]

(b) Stabilisation Manager(s) (if any): [Not Applicable/*give names*]

33 If non-syndicated, name of relevant Dealer: [Not Applicable/*give names*]

34 U.S. Selling Restrictions: [Reg. S Compliance Category [1/2]; TEFRA D/TEFRA C/TEFRA not applicable]

35 Additional selling restrictions: [Not Applicable/*give details*]

36 Additional U.S. federal income tax considerations [Not Applicable/*give details*]
[*Consider whether any considerations relating to the U.S. Foreign Account Tax Compliance Act should be included*]

37 Prohibition of Sales to EEA Retail Investors [Applicable/Not Applicable]
(*If 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, “Applicable” should be specified.*)

38 Prohibition of Sales to UK Retail Investors [Applicable/Not Applicable]
(*If Notes clearly do not constitute consumer composite investments under the CCI regime or the Notes do constitute consumer composite investments under the CCI regime and a disclosure document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute consumer composite investments under the CCI regime and no disclosure document will be prepared, “Applicable” should be specified.*)

OPERATIONAL INFORMATION

39 Any clearing system(s) other than Euroclear and Clearstream: [CMU/Not Applicable/*give name(s) and number(s)*]

40 Delivery: Delivery [against/free of] payment

41 In the case of Registered Notes, specify the location of the office of the Registrar if other than New York: [Not Applicable/[•]]

- 42 In the case of Bearer Notes, [Not Applicable/[•]]
specify the location of the office
of the Fiscal Agent if other than
London:
- 43 Additional Paying Agent(s) (if [•]
any):
- ISIN: [•]
- Common Code: [•]
- CMU Instrument Number: [•]

HONG KONG SFC CODE OF CONDUCT

- 44 Rebates: [A rebate of [•] bps is being offered by the [each of] the Issuer
[and the Guarantor] 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 CMI 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. [In addition, each of the Issuer and
the Guarantor has agreed with the Managers that each of the
Issuer and the Guarantor will pay a commission to certain
private banks in connection with the distribution of the Notes
to their clients. This commission will be based on the principal
amount of the Notes so distributed, and may be deducted from
the purchase price for the Notes payable by such private banks
upon settlement.]]/[Not Applicable]
- 45 Contact email addresses of the [Include relevant contact email addresses of the Overall
Overall Coordinators where Coordinators where the underlying investor information
underlying investor information should be sent – OCs to provide]/[Not Applicable]
in relation to omnibus orders
should be sent:
- 46 Marketing and Investor [As indicated in the Offering Circular] OR [Describe if
Targeting Strategy: different from the programme Offering Circular]

GENERAL

- 47 The aggregate principal amount [Not Applicable/U.S.\$[•]]
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):

48 Ratings:

[The Notes to be issued are unrated.]/[The Notes to be issued have been rated: *[Insert ratings, if any]*]

[USE OF PROCEEDS]

Give details if different from the “Use of Proceeds” section in the Offering Circular.]

[STABILISATION]

In connection with the issue of the Notes, the Manager or Managers (if any) named as the Stabilisation Manager(s) (the “Stabilisation Manager(s)”) (or persons acting on behalf of any Stabilisation Manager(s)) 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, stabilisation may not necessarily occur. 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 cease 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(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.]

[LISTING APPLICATION]

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$7,000,000,000 Medium Term Note Programme of HKCG (Finance) Limited.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of *[name of the Issuer]*:

Signed on behalf of *[name of the Guarantor]*:

By: _____
Duly authorised

By: _____
Duly authorised

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the rules of the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of Pricing Supplement” for a description of the contents of the applicable Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by HKCG (Finance) Limited (the Issuer) pursuant to the Agency Agreement (as defined below).

References herein to the “**Notes**” shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note in bearer form (each a “**Bearer Global Note**”);
- (c) any Global Note in registered form (each a “**Registered Global Note**”);
- (d) any definitive Note in bearer form (“**Definitive Bearer Notes**”, together with the Bearer Global Notes, the “**Bearer Notes**”) issued in exchange for a Bearer Global Note; and
- (e) any definitive Note in registered form (“**Definitive Registered Notes**”, together with the Registered Global Notes, the “**Registered Notes**”) (whether or not issued in exchange for a Registered Global Note).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an amended and restated agency agreement dated 29 September 2026 (such amended and restated agency agreement as further amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) and made between the Issuer, The Hong Kong and China Gas Company Limited (the “**Guarantor**”), The Bank of New York Mellon, London Branch as issuing and fiscal agent (the “**Fiscal Agent**”, which expression shall include any successor fiscal agent), The Bank of New York Mellon, Hong Kong Branch as CMU lodging and paying agent (the “**CMU Lodging and Paying Agent**”, which expression shall include any successor CMU lodging and paying agent) and the other paying agents named therein (together with the Fiscal Agent and the CMU Lodging and Paying Agent, the “**Paying Agents**”, which expression shall include any additional or successor paying agents), The Bank of New York Mellon SA/NV, Dublin Branch as registrar (the “**Registrar**”, which expression shall include any successor registrar) and The Bank of New York Mellon SA/NV, Dublin Branch as transfer agent (the “**Transfer Agent**”, which expression shall include any additional or successor transfer agents). For the purposes of these Terms and Conditions (“**Conditions**”), all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Fiscal Agent shall, with respect to a Series of Notes to be held in the CMU (as defined below), be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly.

Interest bearing Definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the applicable Pricing Supplement, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to

Talons. Definitive Bearer Notes repayable in instalments have receipts (“**Receipts**”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Definitive Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in the Pricing Supplement attached to or endorsed on this Note which supplements these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. References to the “**applicable Pricing Supplement**” are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

The payment of all amounts in respect of this Note have been guaranteed by the Guarantor pursuant to an amended and restated guarantee (such amended and restated guarantee, as modified and/or supplemented and/or restated from time to time, the “**Guarantee**”) dated 29 September 2026 and executed by the Guarantor. The original of the Guarantee is held by the Fiscal Agent on behalf of the Noteholders, the Receiptholders and the Couponholders at its specified office.

Any reference to “**Noteholders**” or “**holders**” in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to “**Receiptholders**” shall mean the holders of the Receipts and any reference herein to “**Couponholders**” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing and admission to trading) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of an amended and restated deed of covenant (such amended and restated deed of covenant as modified and/or supplemented and/or restated from time to time, the “**Deed of Covenant**”) dated 29 September 2026 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream (as defined below).

Copies of the Agency Agreement, the Guarantee and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Fiscal Agent and the other Paying Agents (such Agents and the Registrar and the Transfer Agent being together referred to as “**Agents**”). Copies of the applicable Pricing Supplement are available for viewing during normal business hours at the specified office of the Issuer and of the Fiscal Agent and copies may be obtained from those offices save that, if this Note is neither listed nor admitted to trading, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, and are bound by, all the provisions of the Agency Agreement, the Guarantee, the Deed of Covenant and the applicable Pricing Supplement which are applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

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

1 Form, Denomination and Title

The Notes are issued in bearer form or in registered form as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the currency (the “**Specified Currency**”) and the denominations (the “**Specified Denomination(s)**”) specified in the applicable Pricing Supplement. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to Bearer Notes, Receipts and Coupons will pass by delivery and title to Registered Notes will pass upon registration of transfers in the register which is kept by the Registrar in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantor and any Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes, but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”) and/or the Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service (the “**CMU**”), each person (other than Euroclear or Clearstream or the CMU) who is for the time being shown in the records of Euroclear, Clearstream or the CMU as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly. Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU, any payment that is made in respect of such Note shall be made to the person(s) for whose account(s) interests in such Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Issue 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 as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream and the CMU, as the case may be.

References to Euroclear and/or Clearstream and/or the CMU shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement or as may otherwise be approved by the Issuer and the Fiscal Agent.

2 Transfers of Registered Notes

2.1 *Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear, Clearstream or the CMU, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Definitive Registered Notes or for a beneficial interest in another Registered Global Note of the same series only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear, Clearstream or the CMU, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

2.2 *Transfers of Definitive Registered Notes*

Subject as provided in Condition 2.3 below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (A) surrender the Definitive Registered Note for registration of the transfer of the Definitive Registered Note (or the relevant part of the Definitive Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 8 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail (free of charge to the holder and at the Issuer's (failing whom the Guarantor's) expense), to such address as the transferee may request, a new Definitive Registered Note in definitive form of a like aggregate nominal amount to the Definitive Registered Note (or the relevant part of the Definitive Registered Note) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Definitive Registered Note not transferred will be authenticated and delivered or (at the risk of the transferor) sent to the transferor (free of charge to the holder and at the Issuer's (failing whom the Guarantor's) expense).

2.3 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.4 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

2.5 Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered during the period of (i) 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Note and (ii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6.4).

3 Status of the Notes and the Guarantee

3.1 Status of the Notes

The Notes and any relative Receipts and Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 4) 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 shall, save for certain obligations required to be preferred by law and subject to Condition 4, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations (other than subordinated obligations, if any), from time to time outstanding.

3.2 Status of the Guarantee

The payment of principal and interest in respect of the Notes and all other moneys payable by the Issuer under or pursuant to the Notes has been unconditionally and irrevocably guaranteed by the Guarantor in the Guarantee. The obligations of the Guarantor under the Guarantee are direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

4 Negative Pledge

So long as any Note and the relative Receipts or Coupons remains outstanding (as defined in the Agency Agreement), neither the Issuer nor the Guarantor will create or permit to subsist, and will procure that no Material Subsidiary (as defined below) creates or permits to subsist, any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Encumbrance**”), other than the Permitted Encumbrance, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below) or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto according to the Notes the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or according such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement).

For the purposes of these Conditions:

“Material Subsidiary” means any Subsidiary of the Guarantor:

- (a) whose gross revenue (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose gross assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 10 per cent. of the consolidated gross revenue, or, as the case may be, the consolidated gross assets of the Guarantor and its Subsidiaries taken as a whole, all as calculated respectively by reference to the latest audited financial statements (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated financial statements of the Guarantor, provided that:
 - (i) in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Guarantor relate for the purpose of applying each of the foregoing tests, the reference to the Guarantor’s latest audited consolidated financial statements shall be deemed to be a reference to such audited financial statements as if such Subsidiary had been shown therein by reference to its then latest relevant audited financial statements, adjusted as deemed appropriate by the auditor for the time being, after consultation with the Guarantor;
 - (ii) if at any relevant time in relation to the Guarantor or any Subsidiary no financial statements are prepared and audited, its gross revenue and gross assets (consolidated, if applicable) shall be determined on the basis of pro forma consolidated financial statements (consolidated, if applicable) prepared for this purpose; and
 - (iii) if the financial statements of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Guarantor, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its financial statements (consolidated, if appropriate) with the consolidated financial statements (determined on the basis of the foregoing) of the Guarantor; or
- (b) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (a) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary and (b) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of sub-paragraph (a) above.

A report by one of the authorised signatory of the Guarantor that in their opinion (making such adjustments (if any) as they shall deem appropriate) a Subsidiary is or is not or was or was not at any particular time or during any particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Guarantor and the Noteholders.

“Asset-Backed Securities” means any Relevant Indebtedness: (i) if by the terms of such indebtedness it is expressly provided that recourse by the holders of such indebtedness is limited to the properties or assets of the issuer of such indebtedness or the revenue to be generated by the operation of, or loss of or damage to, such properties or assets, for repayment of the moneys advanced and payment of interest thereon; and (ii) which is not guaranteed by the Issuer, the Guarantor or any of its Material Subsidiaries.

“Permitted Encumbrance” means (i) any Encumbrance over any assets (or related documents of title) purchased by the Issuer, the Guarantor or any Material Subsidiary as security for all or part of the purchase price of such assets and any substitute Encumbrance created on those assets in connection with the refinancing (together with interest, fees and other charges attributable to such refinancing) of the indebtedness secured on those assets; (ii) any Encumbrance over any assets (or related documents of title) purchased by the Issuer, the Guarantor or any Material Subsidiary subject to such Encumbrance and any substitute Encumbrance created on those assets in connection with the refinancing (together with interest, fees and other charges attributable to such refinancing) of the indebtedness secured on those assets; and (iii) any Encumbrance created to secure Asset-Backed Securities issued by the Issuer, the Guarantor or any Material Subsidiary provided that the aggregate value of the relevant assets subject to any such Encumbrance(s) pursuant to this limb (iii) does not exceed 10 per cent. of the total consolidated assets of the Guarantor and its Subsidiaries measured based on the latest audited consolidated financial statements of the Guarantor.

“Relevant Indebtedness” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes, loan stock, certificates of deposit or other securities which are for the time being, or are intended to be, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market, having an original maturity of more than one year from its date of issue and incurred outside the People’s Republic of China (which for these purposes only, does not include Hong Kong, Macau and Taiwan). For the avoidance of doubt, Relevant Indebtedness shall not include indebtedness under any transferable bank loan facilities or agreements, bilateral loans or syndicated bank loans obtained by the Issuer, the Guarantor or its Subsidiaries, or drawing down of any credit lines or facilities of the Issuer, the Guarantor or any of its Subsidiaries.

“Subsidiary”, in relation to any person, means any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws, regulations or generally accepted accounting principles of the Hong Kong Special Administrative Region of the People’s Republic of China (**“Hong Kong”**) from time to time, should have its accounts consolidated with those of that person.

5 Interest

5.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or if it is a Partly Paid Note, the nominal amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are Bearer Notes in definitive form, except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in these Conditions, **“Fixed Interest Period”** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Bearer Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Note (or, in each case, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction. The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

For the purposes of this Condition 5.1:

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 5.1:

- (a) if “**Actual/Actual (ICMA)**” is specified in the applicable Pricing Supplement:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

- (b) if “**30/360**” is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and
- (c) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365.

In these Conditions:

“**Determination Period**” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub-unit**” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

5.2 *Interest on Floating Rate Notes and Index Linked Interest Notes*

(a) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or if it is a Partly Paid Note, the nominal amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, “**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date) or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 5.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply mutatis mutandis or (b) in the case of (y) above,

shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this subparagraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent under an interest rate swap transaction if the Fiscal Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating (i) if “2006 ISDA Definitions” is specified in the applicable Pricing Supplement, the 2006 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; or (ii) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA on its website (www.isda.org) as at the Issue Date of the first Tranche of the Notes (together, the “**ISDA Definitions**”) and under which:

- (A) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (B) the Designated Maturity is a period specified in the applicable Pricing Supplement;
- (C) the relevant Reset Date is as specified in the applicable Pricing Supplement;
- (D) “**Confirmation**” shall be deemed to be references to the applicable Pricing Supplement;
- (E) “**Calculation Period**” shall be deemed to be references to the relevant Interest Period;
- (F) “**Termination Date**” shall be deemed to be references to the Maturity Date; and

(G) “**Effective Date**” shall be deemed to be references to the Interest Commencement Date.

If the Pricing Supplement specify “**2021 ISDA Definitions**” as the applicable ISDA Definitions:

- (A) Administrator/Benchmark Event shall be disappplied; and
- (B) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be “Temporary Non-Publication Fallback – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication Fallback – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

- (B) Screen Rate Determination for Floating Rate Notes (other than Notes where the Reference Rate is specified as SOFR Benchmark or other risk-free rates)

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is not SOFR Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) 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 (or such replacement page on that service which displays the information) as at, in the case of EURIBOR, 11.00 a.m. (Brussels time), or in the case of HIBOR or CNH HIBOR, 11.00 a.m. (Hong Kong time) 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 at 2.30 p.m (Hong Kong time) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent (as specified in the applicable Pricing Supplement). 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 (as specified in the applicable Pricing Supplement) for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

Unless otherwise stated, in the applicable Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

- (C) Screen Rate Determination for Notes where the Reference Rate is specified as being SOFR Benchmark

If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest(s) is/are to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest applicable to the Notes for each Interest Period will, subject as provided below, be equal to the sum of the SOFR Benchmark plus or minus (as specified in the relevant Pricing Supplement) the Margin (if any), all as calculated by the Calculation Agent on the relevant Interest Determination Date.

The “**SOFR Benchmark**” will be determined based on SOFR Compounded Index (as specified in the Pricing Supplement), as follows (subject to Condition 5.2(h)):

If SOFR Compounded Index (“**SOFR Compounded Index**”) is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark with respect to an Interest 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:

- (a) 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
- (b) if a SOFR Index value does not so appear as specified in (a) above of this definition, then:
 - (i) if a Benchmark Event (as defined in Condition 5.2(h)) and its related Benchmark Replacement Date (as defined in Condition 6.2(h)) have not occurred with respect to SOFR, then SOFR Compounded Index shall be the rate determined pursuant to Condition 5.2(b)(D); or
 - (ii) 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 5.2(h)).

“**SOFR Index_{End}**” means, in respect of an Interest Period, the SOFR Index value on the date which is the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement preceding the last day of such Interest Period (or in the final Interest Period, the Maturity Date);

“**SOFR Index_{Start}**” means, in respect of an Interest Period, the SOFR Index value on the date which is the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement preceding the first day of such Interest 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 in the relevant Pricing Supplement; and

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date which is the number of SOFR Observation Shift Days preceding the first date of such Interest Period (and in respect of the first Interest 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 last day of such Interest Period (or in the final Interest Period, the Maturity Date).

The following defined terms shall have the meanings set out below for purpose of this Condition 5.2(b)(C):

“**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://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), or any successor source; 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.

(D) 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 5.2(h)) and its related Benchmark Replacement Date (as defined in Condition 5.2(h)) 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 5.2(b)(D):

“**Compounded SOFR**” means, for the applicable Interest 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));

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

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 number of U.S. Government Securities Business Day as specified in the relevant Pricing Supplement 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:

- (a) 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
- (b) 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://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), 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 Period, the period from (and including) the date falling a number of U.S. Government Securities Business Days equal to the SOFR Observation Shift Days preceding the first date in such Interest Period to (but excluding) the date falling a number of U.S. Government Securities Business Days equal to the number of SOFR Observation Shift Days preceding the last day of such Interest Period;

“SOFR Observation Shift Days” means the number of U.S. Government Securities Business Days as specified in the relevant Pricing Supplement; 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.

- (E) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as a risk-free alternative reference rate other than SOFR Benchmark:

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 a risk-free alternative reference rate other than SOFR Benchmark, the Rate of Interest for each Interest Period (including the method or basis of calculating or determining the Rate of Interest) will be as further specified in the relevant Pricing Supplement.

- (c) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

- (d) Determination of Rate of Interest and calculation of Interest Amounts

The Fiscal Agent or the Calculation Agent (as specified in the applicable Pricing Supplement), as applicable, in the cases of Floating Rate Notes and Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case where the Calculation Agent is the party responsible for determining the rate of interest, the Calculation Agent will notify the Fiscal Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Fiscal Agent or the Calculation Agent (as specified in the applicable Pricing Supplement), as applicable, will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 5.2:

- (i) if “**Actual/Actual (ISDA)**” or “**Actual/Actual**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest 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 in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{([360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1))}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest 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 in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{([360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1))}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless such number would be 31, in which case **D₂** will be 30; and

- (vii) If “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{([360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1))}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and **D₂** will be 30.

(e) Notification of Rate of Interest and Interest Amounts

The Fiscal Agent or the Calculation Agent (as specified in the applicable Pricing Supplement), as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer by no later than the first day of each Interest Period as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(f) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5.2, whether by the Fiscal Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, gross negligence or manifest error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the other Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default and gross negligence) no liability to the Issuer, the Guarantor, the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or the Calculation Agent, if applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

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

Where the Reference Rate is not SOFR Benchmark, in addition, notwithstanding the provisions above in this Condition 5.2, if the Issuer determines that a Benchmark Event (as defined below in this Condition 5.2(g)) has occurred in relation to the relevant Reference Rate 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 (as defined below) 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 Period (the “**IA Determination Cut-off Date**”), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes. In making such determination, the Independent Adviser appointed pursuant to this Condition 5.2(g) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders, the Receiptholders or the Couponholders for any determination made by it, pursuant to this Condition 5.2(g);
- (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 failing which, an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest 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 that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (B) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, Condition 5.2(g)(A));
- (C) if the Independent Adviser determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser (acting in good faith and in a commercially reasonable manner), 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 defined below) (as applicable). If the Independent Adviser (in consultation with the Issuer) 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 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. For the avoidance of doubt, the Fiscal Agent and the Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5.2(g)(C). Noteholder consent shall not be required in connection with effecting the Successor Rate or the Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Fiscal Agent or the Paying Agents (if required); and

- (D) the Issuer shall, prior to the IA Determination Cut-off Date, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Fiscal Agent, the Paying Agents and, in accordance with Condition 14, the Noteholders, 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.

For the purposes of this Condition 5.2(g):

“Adjustment Spread” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) 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
- (ii) 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) 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
- (iii) if 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;

“Alternative Reference Rate” means the rate that the Independent Adviser 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 Period, or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser 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 (other than for Notes where the Reference Rate is specified as being SOFR Benchmark):

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

- (iii) 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;
- (iv) a public statement by the supervisor of the administrator of such Reference Rate as a consequence of which such Reference Rate will be prohibited from being used either generally or in respect of the Notes;
- (v) the making of a public statement by the supervisor of the administrator of the Reference Rate that such Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using such Reference Rate;

provided that the Benchmark Event shall be deemed to occur (x) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Reference Rate or the discontinuation of the Reference Rate, as the case may be, (y) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Reference Rate and (z) in the case of sub-paragraph (v) above, on the date with effect from which the Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Fiscal Agent, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Fiscal Agent, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

“Relevant Nominating Body” means, in respect of a reference rate:

- (i) 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
- (ii) 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; and

“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.

- (h) Benchmark Replacement (SOFR Benchmark)

The following provisions shall apply if Benchmark Event (SOFR) is specified as applicable in the relevant Pricing Supplement:

(i) *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.

(ii) *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, effect such consequential amendments to the Agency Agreement and these Conditions as may be required to give effect to this Condition 5.2(h). 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 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.

(iii) *Decisions and Determinations*

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5.2(h)), 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 5.2(b)(C) and this Condition 5.2(h)):

“**Benchmark**” means, initially, the relevant SOFR Benchmark specified in the relevant Pricing Supplement; 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):

- (i) 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

- (ii) 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
- (iii) 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:

- (i) the sum of:
 - (1) 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
 - (2) the Benchmark Replacement Adjustment;
- (ii) the sum of:
 - (1) the ISDA Fallback Rate; and
 - (2) the Benchmark Replacement Adjustment; or
- (iii) the sum of:
 - (1) 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
 - (2) 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:

- (i) 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;

- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) 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):

- (i) in the case of sub-paragraph (i) or (ii) of the definition of **“Benchmark Event”**, the later of:
 - (1) the date of the public statement or publication of information referenced therein; and
 - (2) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-paragraph (iii) 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 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) as published by ISDA on its website (www.isda.org);

“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 Index Determination Time (where SOFR Compounded Index is specified in the relevant Pricing Supplement); 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.

5.3 Interest on Dual Currency Interest Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

5.4 Interest on 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 in the applicable Pricing Supplement.

5.5 Accrual of interest

Each interest-bearing Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14.

5.6 Definitions

In these Conditions, the following expressions have the following meanings:

“Business Day” means:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Hong Kong and each Additional Business Centre (other than T2 (as defined below)) specified in the applicable Pricing Supplement; and
- (b) if T2 is specified as an Additional Business Centre in the applicable Pricing Supplement, a day on which the Real-time Gross Settlement Express Transfer System or any successor or replacement for that system (the “**T2**”) is open; and

either (i) in relation to any sum payable in a Specified Currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively), (ii) in relation to any sum payable in euro, a day on which T2 is open, (iii) in relation to any sum payable in 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 or (iv) in relation to any sum payable in a currency and/or one or more Business Centres specified hereon, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settlement payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“**Calculation Agent**” means the Fiscal Agent or such other Person specified in the relevant Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Pricing Supplement;

“**euro**” means the lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty establishing the European Community, as amended from time to time;

“**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;

“**Margin**” has the meaning given in the applicable Pricing Supplement;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Pricing Supplement;

“**Reference Rate**” has the meaning given in the applicable Pricing Supplement; and

“**Treaty**” means the Treaty on the Functioning of the European Union, as amended.

6 Payments

6.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro and Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively);

- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee; and
- (c) payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

Payments will be 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 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto.

6.2 *Presentation of Definitive Bearer Notes, Receipts and Coupons*

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 6.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Payments of instalments of principal (if any) in respect of Definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 6.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 6.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Bearer Note to which it appertains. Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

6.3 *Payments in respect of Bearer Global Notes*

Payments of principal and interest (if any) in respect of any Bearer Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes or otherwise in the manner specified in the relevant Bearer Global Note (i) in the case of a Bearer Global Note lodged with the CMU, to the person(s) for whose account(s) interests in the relevant Bearer Global Note are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time, or (ii) in the case of a Bearer Global Note not lodged with the CMU, against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note (in the case of a Bearer Global Note not lodged with the CMU) against presentation by the Paying Agent to which it was presented or (in the case of a Bearer Global Note lodged with the CMU) on withdrawal of such Bearer Global Note by the CMU Lodging and Paying Agent, and in each such case, such record shall be prima facie evidence that the payment in question has been made.

6.4 *Payments in respect of Definitive Registered Notes and Registered Global Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Definitive Registered Note and each Registered Global Note will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Definitive Registered Note or Registered Global Note at the specified office of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the “**Register**”) (i) where in global form, at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and Clearstream, a day on which Euroclear and Clearstream are open for business, and in respect of Notes clearing through the CMU, a day on which the CMU is open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, “**Designated Account**” means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account and, in the case of a payment in Renminbi, 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) maintained by a holder with a Designated Bank and identified as such in the Register and “**Designated Bank**” means (in the case of payment in a Specified Currency other than euro and Renminbi) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand

dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro and (in the case of a payment in Renminbi) a bank in Hong Kong.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Definitive Registered Note and each Registered Global Note will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and Clearstream, a day on which Euroclear and Clearstream are open for business, and in respect of Notes clearing through the CMU, a day on which the CMU is open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the “**Record Date**”). Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

In the case of Definitive Registered Note or Registered Global Note held through the CMU, payment will be made to the person(s) for whose account(s) interests in the relevant Definitive Registered Note or Registered Global Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time.

None of the Issuer, the Guarantor or the Agents 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 Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.5 General provisions applicable to payments

The holder of a Global Note (if the Global Note is not lodged with the CMU) or the person(s) for whose account(s) interests in the relevant Global Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time (if the Global Note is lodged with the CMU) shall be the only person(s) entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note or such person(s) for whose account(s) interests in the relevant Global Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time (as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream or the CMU as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream or the CMU, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note or such person(s) for whose account(s) interests in the relevant Global Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time (as the case may be).

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

6.6 Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day (as defined below), the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which (subject to Condition 9) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Notes in definitive form only, the relevant place of presentation;
 - (ii) Hong Kong; and
 - (iii) in each Additional Financial Centre (other than T2) specified in the applicable Pricing Supplement;
- (b) if T2 is specified as an Additional Financial Centre in the applicable Pricing Supplement, a day on which T2 is open; and
- (c) either (A) in relation to any sum payable in a Specified Currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively), (B) in relation to any sum payable in euro, a day on which T2 is open or (C) in relation to any sum payable in Renminbi, a day on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

6.7 Interpretation of principal and interest

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

- (a) any additional amounts which may be payable with respect to principal under Condition 8;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;

- (e) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7.8); and
- (g) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

7 Redemption and Purchase

7.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note and Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

7.2 Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note, an Index Linked Interest Note nor a Dual Currency Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note, an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such Additional Amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts or give effect to such treatment, as the case may be, were a payment in respect of the Notes then due.

Prior to giving any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Fiscal Agent a certificate signed by one authorised signatory of the Issuer or, as the case may be, one authorised signatory of the Guarantor 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. The Fiscal Agent shall be entitled to accept and rely upon such certificate (without further investigation or enquiry) as sufficient evidence of the satisfaction of the conditions precedent set out in this Condition 7.2, in which event they shall be conclusive and binding on the Noteholders.

Notes redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.8 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

7.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (b) not less than 7 days before the giving of the notice referred to in (a) above, notice to the Fiscal Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in nominal amount, at their discretion) and/or the CMU (as appropriate), in the case of Redeemed Notes represented by a Global Note, not more than 10 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 5 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes or represented by a Global Note shall in each case bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding and Notes outstanding represented by such Global Note, respectively, bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that, if necessary, appropriate adjustments shall be made to such nominal amounts to ensure that each represents an integral multiple of the Calculation Amount. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 7.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

7.4 Redemption at the Option of the Issuer (Make Whole Redemption)

If Issuer Call (Make Whole Redemption) is specified in the applicable Pricing Supplement, 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 in the applicable Pricing Supplement) redeem, in whole or in part, the Notes on any Make Whole Optional Redemption Date. Any such redemption of Notes shall be at their Make Whole Redemption Amount together with interest accrued to the date fixed for redemption.

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.

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, which shall

have been drawn in such place and in such manner as agreed between the Issuer and the Fiscal Agent, taking account of prevailing market practices, subject to compliance with any applicable laws and, clearing system, stock exchange or other relevant authority requirements.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Independent Adviser shall (in the absence of manifest error) be final and binding upon all parties.

For the purposes of this Condition 7.4:

“Make Whole Optional Redemption Date” has the meaning given in the relevant Pricing Supplement;

“Make Whole Redemption Amount” means, with respect to each Note to be redeemed, either: (i) an amount calculated to be equal to the higher of (A) the principal amount of such Note and (B) the sum of (x) the present value of the principal amount of such Note and (y) the present values of the interest payable for the relevant Interest Periods from, and including, the relevant Make Whole Optional Redemption Date to the Maturity Date (exclusive of interest accrued to the Make Whole Optional Redemption Date), in each case, discounted to such Make Whole Optional Redemption Date at the Make Whole Reference Rate, plus the Make Whole Redemption Margin; or (ii) the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement;

“Make Whole Redemption Margin” has the meaning given in the relevant Pricing Supplement;

“Make Whole Reference Rate” means: (i) with respect to any Make Whole Optional Redemption Date as specified in the relevant Pricing Supplement, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Security, assuming a price for the Reference Security (expressed as a percentage of its nominal amount) equal to the Reference Security Price for such Make Whole Optional Redemption Date; or (ii) the rate specified in, or determined in the manner specified in, the relevant Pricing Supplement;

“Reference Date” means as set out in the relevant notice of redemption pursuant to Condition 7.4;

“Reference Dealer” means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues, or such other banks or method of selection of such banks as specified in the relevant Pricing Supplement;

“Reference Dealer Quotations” means, with respect to each Reference Dealer and any Make Whole Optional Redemption Date, the arithmetic average, as determined by the Independent Adviser, of the bid and offered prices for the Reference Security (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the relevant Pricing Supplement on the Reference Date quoted in writing to the Independent Adviser by such Reference Dealer;

“Reference Security” shall be as set out in the relevant Pricing Supplement, provided that if the Reference Security is no longer outstanding, a Similar Security will be chosen by the Independent Adviser at the Similar Security Determination Time preceding the Make Whole Optional Redemption Date, or at such other time and date specified in the relevant Pricing Supplement, quoted in writing by the Independent Adviser to the Issuer and notified by the Issuer in accordance with Condition 14;

“Reference Security Price” means, with respect to any Make Whole Optional Redemption Date, either: (i) (A) the arithmetic average of the Reference Dealer Quotations for such Make Whole Optional Redemption Date, after excluding the highest and lowest such Reference Dealer Quotations, or (B) if the Independent Adviser obtains fewer than four such Reference Dealer Quotations, the arithmetic average of all such quotations; or (ii) as otherwise provided in the relevant Pricing Supplement;

“Similar Security” means a reference security or reference securities having an actual or interpolated maturity comparable with the remaining term of the relevant series of Notes that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes; and

“Similar Security Determination Time” has the meaning given in the relevant Pricing Supplement.

7.5 *Redemption at the option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer, in accordance with Condition 14, not less than 15 nor more than 30 days’ notice (or such other notice period as is specified in the applicable Pricing Supplement) (which notice shall be irrevocable save as provided in Condition 7.7), the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Pricing Supplement such Note on the Optional Redemption Date and at the relevant Optional Redemption Amount as specified in, or determined in the manner specified in, the applicable Pricing Supplement, together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Registered Notes may be redeemed under this Condition 7.5 in any multiple of their lowest Specified Denomination. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Pricing Supplement. Such option shall operate as set out below in Condition 7.7.

7.6 *Redemption for Put Event*

Upon the occurrence of a Put Event (as defined below), the holder of each Note will have the right, at such holder’s option, exercisable during the Change of Control Put Period (as defined below) by giving to the Issuer a notice (which notice shall be irrevocable save as provided in Condition 7.7) to require the Issuer to redeem all, but not some only, of such holder’s Notes on the Put Date (as defined below) at the Early Redemption Amount, together with accrued interest up to but excluding the Put Date. Such option shall operate as set out below and in Condition 7.7.

The Issuer shall give notice to Noteholders and the Fiscal Agent in accordance with Condition 14 by not later than 14 days following the first day on which it becomes aware of the occurrence of a Put Event, which notice shall specify the procedure for exercise by holders of their rights to require redemption of the Notes pursuant to this Condition 7.6 (a **“Put Event Notice”**).

For the purposes of this Condition 7.6:

a **“Change of Control”** occurs when:

- (i) any Person or Persons acting together acquires Control of the Guarantor if such Person or Persons does not or do not have, and would not be deemed to have, Control of the Guarantor on the date of issue of the Notes;

- (ii) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of its assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Guarantor or the successor entity; or
- (iii) one or more other Persons acquires the legal or beneficial ownership of all or substantially all of the Guarantor's issued share capital;

“Change of Control Put Period” means a period of 60 days following a Put Event, or, if a Put Event Notice is given, a period of 60 days following the date upon which such notice is given;

“Control” means the ownership or control of more than 50 per cent. of the voting rights of the issued share capital of the Guarantor or the right to appoint and/or remove all or the majority of the members of the Guarantor'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;

“Put Date” means the fourteenth day after the expiry of the Change of Control Put Period;

“Put Event” will be deemed to occur if:

- (i) there is a Change of Control; and
- (ii) at the time of the occurrence of a Change of Control, the Notes carry an investment grade credit rating (in these Conditions meaning Baa3/BBB-, or equivalent, or better), from any two Rating Agencies and such rating from any one of such Rating Agencies is, within a period ending 120 days after the date notice of the Change of Control first becoming public (which period shall be extended so long as the Notes are under consideration (as publicly announced within such 120 day period) for rating review), either downgraded to a non-investment grade credit rating (in these Conditions meaning Ba1/BB+, or equivalent, or worse) or withdrawn,

provided that (aa) if at the time of the occurrence of the Change of Control the Notes carry either a non-investment grade credit rating from either of such Rating Agencies then assigning a credit rating to the Notes or no credit rating from any one of such Rating Agencies, a Put Event will be deemed to occur upon the occurrence of a Change of Control alone; and (bb) if at the time of the occurrence of the Change of Control the Notes carry a rating from more than two Rating Agencies, at least two of which are investment grade, then paragraph (ii) above will apply;

a **“Person”**, as used in this Condition 7.6, includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of state (in each case whether or not being a separate legal entity) but does not include the Guarantor's wholly owned direct or indirect Subsidiaries; and

“Rating Agency” means Moody's Investors Service, Inc. (**“Moody's”**) or S&P Global Ratings (**“S&P”**) or any other reputable credit rating agency of international standing, appointed by the Issuer and the Guarantor and includes the respective successors and assigns of such Rating Agency.

7.7 Put Notices

To exercise the right to require redemption of this Note pursuant to Condition 7.5 or 7.6, the holder of this Note must, if this Note is in definitive form and held outside Euroclear, Clearstream and the CMU, deliver at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes), at any time during the normal business hours of

such Paying Agent or, as the case may be, the Registrar on any Business Day (as defined in Condition 5) falling within the notice period (in the case of Condition 7.5) or Change of Control Put Period (in the case of Condition 7.6), a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **“Put Notice”**) and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream or the CMU, to exercise the right to require redemption of this Note pursuant to Condition 7.5 or 7.6, the holder of this Note must, within the notice period (in the case of Condition 7.5) or Change of Control Put Period (in the case of Condition 7.6), give notice to the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) of such exercise in accordance with the standard procedures of Euroclear, Clearstream and the CMU (which may include notice being given on his instruction by Euroclear, Clearstream or any common depositary, as the case may be, for them to the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) by electronic means or notice being given to the CMU Lodging and Paying Agent) in a form acceptable to Euroclear, Clearstream, the CMU and the CMU Lodging and Paying Agent from time to time.

Any Put Notice or other notice given in accordance with this Condition 7.7 and the standard procedures of Euroclear, Clearstream and the CMU given by a holder of any Note pursuant to Condition 7.5 or 7.6 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to Condition 7.5 or 7.6.

7.8 Early Redemption Amounts

For the purpose of Condition 7.2 and Condition 7.6 above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (a) in the case of a Note (other than a Zero Coupon Note, an Instalment Note and a Partly Paid Note) with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (b) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its nominal amount; or
- (c) in the case of a Zero Coupon Note, at an amount (the **“Amortised Face Amount”**) calculated in accordance with the following formula:

Early Redemption Amount = $RP \times (1 + AY)^Y$ where:

“RP” means the Reference Price;

“AY” means the Accrual Yield expressed as a decimal; and

“y” is the Day Count Fraction specified in the applicable Pricing Supplement which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

7.9 Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 7.8.

7.10 Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

7.11 Purchases

The Issuer, the Guarantor or any Subsidiaries of the Issuer or the Guarantor may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. All Notes so purchased will be surrendered to any Paying Agent and/or the Registrar for cancellation.

7.12 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 7.11 above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Fiscal Agent and cannot be reissued or resold.

7.13 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 7.1, 7.2, 7.3, 7.4, 7.5 or 7.6 above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.8(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 14.

8 Taxation

All payments of principal, premium and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, Receipts and Coupons or under the Guarantee shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of any Tax Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts (“**Additional Amounts**”) as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of the withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of, a holder who is liable to the Taxes in respect of such Note, Receipt or Coupon by reason of his having some connection with Hong Kong other than the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Payment Day (as defined in Condition 6.6).

As used in these Conditions:

- (i) “**Tax Jurisdiction**” means Hong Kong or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) “**Relevant Date**” means the date on which the payment first becomes due, except that, if the full amount of the money payable has not been duly received by the Fiscal Agent, as the case may be, on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect is duly given to the Noteholders by the Issuer in accordance with Condition 14.

9 Prescription

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6.2 or any Talon which would be void pursuant to Condition 6.2.

10 Events of Default

If any one or more of the following events (each an “**Event of Default**”) shall occur:

- (a) **Payment default:** the Issuer fails to pay the principal within seven days after the due date for such payment or any interest within 14 days after the due date for such payment on any Note when due;
- (b) **Other defaults:** the Issuer or the Guarantor does not perform or comply with one or more of its other obligations in the Notes or under the Guarantee, which default is incapable of remedy or is not remedied within 30 days after written notice specifying such default,

requiring it to be remedied and stating that such notice is a notice of default under the Notes and shall have been given to the Fiscal Agent at its specified office by Noteholders representing at least 5 per cent. of the aggregate outstanding principal amount of the Notes;

- (c) **Insolvency:** the Issuer or the Guarantor or any Material Subsidiary is (or is, or could be deemed by law or a court to be) insolvent or bankrupt or is unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a substantial part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any substantial part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any substantial part of its debts or a moratorium is agreed or declared in respect of or affecting all or any substantial part of (or of a particular type of) the debts of the Issuer or the Guarantor or any Material Subsidiary;
- (d) **Cross-default:** (i) any other present or future indebtedness of the Issuer or the Guarantor or any of their respective Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer, the Guarantor or any of their respective Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (d) have occurred equals or exceeds U.S.\$40,000,000 or its equivalent in any other currency (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this paragraph operates) on the day on which such indebtedness becomes due and payable or is not paid or any such amount becomes due and payable or is not paid under any such guarantee or indemnity;
- (e) **Enforcement proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any substantial part of the property, assets or turnover of the Issuer, the Guarantor or any Material Subsidiary and is not discharged or stayed within 45 days (or such longer period as an Extraordinary Resolution of the Noteholders may permit);
- (f) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or the Guarantor or any Material Subsidiary (except for a members' voluntary solvent winding up of a Material Subsidiary), or the Issuer, the Guarantor or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of, and followed by, a disposal, reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Noteholders, or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of such Material Subsidiary are transferred to or otherwise vested in (A) the Guarantor or another Subsidiary or (B) a third party, on an arm's length basis where the undertaking and assets (whether in cash or otherwise) resulting from such disposal or otherwise are transferred to or otherwise vested in the Guarantor or another Subsidiary;
- (g) **Security enforced:** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or any material part of the property, assets or turnover of the Issuer or the Guarantor or any Material Subsidiary (as the case may be) and is not discharged within 45 days;

- (h) **Consent and authorisations:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, license, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Notes, (ii) to ensure that those obligations are legally binding and enforceable, and (iii) to make the Notes admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done;
- (i) **Guarantees:** any of the Guarantees is not (or is claimed by the Guarantor not to be) in full force and effect;
- (j) **Ownership:** the Issuer ceases to be wholly owned and controlled by the Guarantor; or
- (k) **Analogous events:** any event occurs which, under the laws of any relevant jurisdiction, has an analogous effect to any of the events referred to in any of the foregoing paragraphs,

then any Note may, by notice in writing given to the Fiscal Agent at its specified office by Noteholders representing at least 5 per cent. of the aggregate outstanding principal amount of the Notes, be declared immediately due and payable whereupon it shall become immediately due and payable at its Early Redemption Amount together with accrued interest (if any) to the date of repayment, without further formality.

11 Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent or the Paying Agent (in the case of Bearer Notes, Receipts or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer, the Fiscal Agent or the Registrar may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12 Agents

The names of the initial Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Fiscal Agent, or with respect to a Series of Notes held in the CMU, a CMU Lodging and Paying Agent, and a Registrar;
- (b) there shall at all times be one or more Calculation Agents if provision is made for it or them in the applicable Pricing Supplement and for so long as any Note is outstanding. 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 the 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 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 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 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; and

- (c) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Registrar and Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.5. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

None of the Agents shall be obliged to take any steps to ascertain whether a Change of Control, Potential Event of Default or Event of Default has occurred or whether any other party is complying with its obligations under the Conditions or the Agency Agreement, or to monitor or to investigate the occurrence of any Change of Control, Potential Event of Default or Event of Default or whether any other party is complying with its obligations under the Conditions or the Agency Agreement, and none of the Agents shall be liable to the Noteholders, the Issuer, the Guarantor or any other person for not doing so.

13 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

14 Notices

All notices regarding Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper published in Hong Kong or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Asia. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding Registered Notes will be deemed to be validly given if (a) sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the day after mailing and (b) if and for so long as the Registered Notes are listed on a

stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear, Clearstream and/or the CMU, be substituted for such publication in such newspaper(s) or such mailing, the delivery of the relevant notice to Euroclear, Clearstream and/or the CMU for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Fiscal Agent or the Registrar through Euroclear and/or Clearstream, and/or, in the case of Notes lodged with the CMU, by delivery by such holder of such notice to the CMU Lodging and Paying Agent in Hong Kong, as the case may be, in such manner as the Fiscal Agent, the Registrar, the CMU Lodging and Paying Agent and Euroclear and/or Clearstream and/or the CMU, as the case may be, may approve for this purpose.

Receiptholders and Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

15 Meetings of Noteholders and Modifications

15.1 Meeting of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or the Guarantor and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is two or more persons present holding Notes or voting certificates or being proxies or representatives and holding or representing more than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons present holding Notes or voting certificates or being proxies or representatives at the adjourned meeting whatever the nominal amount of the Notes so held or represented will form a quorum, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Notes, (ii) to reduce or cancel the principal amount of, or interest on, the Notes, (iii) to change the currency of payment of the Notes, (iv) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, or (v) to modify or cancel the Guarantees, in which case the necessary quorum shall be two or more persons holding or representing not less than 66 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting two or more persons holding or representing not less than 33 per cent. in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders. In addition, a resolution in writing signed by or on behalf of Noteholders of not less than 90 per cent. of the aggregate

nominal amount outstanding will take effect as if it were a duly passed 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.

15.2 Modifications

The Fiscal Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Receipts, the Coupons or the Agency Agreement which is not prejudicial to the interest of the Noteholders; or
- (b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter. Any determination as to prejudice applying to the interests of the Noteholders pursuant to these Conditions shall be made by the Issuer and none of the Agents shall have any responsibility or liability whatsoever with respect to such determination.

16 Substitution

On or immediately following the effective date of any Group Reorganisation, the Guarantor may, without the consent of the Noteholders, Receiptholders or Couponholders, substitute in its place as guarantor under the Guarantee of the Substitute (as defined below), provided that (i) no payment in respect of the Notes or the Guarantees is at the relevant time overdue, (ii) no event specified in Condition 10 has occurred, and (iii) confirmation from each Rating Agency, then assigning a credit rating to the Notes, is given in writing to the Guarantor and notified to the Noteholders in accordance with Condition 14 that such credit rating will not be downgraded or withdrawn by reason of such substitution. The substitution shall be made by a deed poll (the “**Deed Poll**”), to be substantially in the form exhibited to the Agency Agreement, and may take place only if (aa) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute’s residence for tax purposes and, if different, of its incorporation with respect to any Note and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (bb) where, at the time of the substitution, the Notes carry no rating from any Rating Agency, the obligations of the Substitute under the Deed Poll and the Guarantees shall be unconditionally guaranteed by the Guarantor by means of the Deed Poll, (cc) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll and the Guarantees represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Deed Poll of the Guarantor, have been taken, fulfilled and done and are in full force and effect, (dd) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (ee) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from independent legal advisers with a leading securities practice in each jurisdiction referred to in (aa) above and in England that the Deed Poll is legal, valid, binding and enforceable, that each of the Issuer, the Guarantor and the Substitute have obtained all necessary approvals, authorisations and consents to perform its obligations under the Deed Poll and that each of the Issuer, the Guarantor and the Substitute is duly incorporated and has the corporate capacity and due authority to enter into the Deed Poll, and (ff) the Issuer and/or the Guarantor shall have given at least 30 days’ written prior notice of such substitution to the Fiscal Agent and Noteholders, stating that copies, or pending

execution the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified office of each of the Paying Agents. References in Condition 10 to obligations under the Guarantees shall be deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, the events listed in Condition 10 shall be deemed to include that guarantee not being (or being claimed by the Guarantor not to be) in full force and effect and the provisions of Condition 10(c) to 10(i) inclusive shall be deemed to apply in addition to the Guarantor in its additional capacity.

For the purposes of these Conditions,

“Group Reorganisation” means any reorganisation, restructuring, scheme of arrangement or analogous proceeding (a **“Reorganisation”**) which effects the interposition of a limited liability company (the **“Substitute”**) between the ordinary shareholders of the Guarantor immediately prior to the Reorganisation (the **“Existing Shareholders”**) and the Guarantor provided that:

- (i) only ordinary shares of the Substitute are issued to the Existing Shareholders;
- (ii) immediately after completion of the Reorganisation the only shareholders of the Substitute are the Existing Shareholders or transferees of the Existing Shareholders if such transfers are permitted under the Reorganisation;
- (iii) the Substitute is the only beneficial shareholder of the Guarantor;
- (iv) all Subsidiaries of the Guarantor immediately prior to the Reorganisation (other than the Substitute, if the Substitute is then a Subsidiary of the Guarantor) are Subsidiaries of the Guarantor (or the Substitute) immediately after the Reorganisation; and
- (v) the Guarantor (or the Substitute) holds directly or indirectly, the same percentage of the ordinary share capital of those Subsidiaries as was held by the Guarantor immediately prior to the Reorganisation.

17 Further Issues

The Issuer may, from time to time, without the consent of the Noteholders, the Receiptholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the Notes. 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.

18 Contracts (Rights of Third Parties) Act 1999

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

19 Governing Law and Submission to Jurisdiction

19.1 Governing law

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

19.2 Submission to Jurisdiction

- (a) Subject to Condition 19.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes, the Receipts and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes, the Receipts and/or the Coupons (a “**Dispute**”) and accordingly each of the Issuer, the Guarantor and any Noteholders, Receiptholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 19.2, each of the Issuer and the Guarantor waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) Notwithstanding Condition 19.2(a) above, to the extent allowed by law, the Noteholders, the Receiptholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

19.3 Agent for service of process

Each of the Issuer and the Guarantor irrevocably appoints Elemental Process Agent Limited of 27 Old Gloucester Street, London WC1N 3AX, United Kingdom, as its agent in England to receive service of process in any Proceedings in England. If for any reason the Issuer or the Guarantor, as the case may be, does not have such an agent in England, it will promptly appoint a substitute process agent and notify the Noteholders of such appointment. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used by the Issuer or HKCG:

- to refinance part of the existing indebtedness of the Group;
- to fund capital expenditures of HKCG or the Group; and/or
- for general corporate purposes.

RISK FACTORS

In addition to other information in this Offering Circular, investors should carefully consider the following risk factors, together with all other information contained in this Offering Circular, before purchasing the Notes. The risks and uncertainties described below may not be the only ones that the Issuer, HKCG or the Group face. Additional risks and uncertainties that the Issuer and HKCG are not aware of or that they currently believe are immaterial may also adversely affect the business, financial condition or results of operations of the Issuer, HKCG or the Group. If any of the possible events described below occurs, the Issuer's, HKCG's or the Group's business, financial condition or results of operations could be materially and adversely affected. In such case, the Issuer or HKCG may not be able to satisfy their obligations under the Notes or the Guarantee (as applicable), and investors could lose all or part of their investment.

Risks Relating to HKCG's Business

HKCG's utilities businesses (meaning its Hong Kong Gas Business, Mainland Gas Business and Water and Environmental Businesses, the "Utilities Businesses") are highly regulated. The Hong Kong government may develop a regulatory environment for the supply and pricing of piped city-gas in ways that may be adverse to HKCG.

Both the Hong Kong and PRC governments have committed to achieving carbon neutrality. Hong Kong under its Climate Action Plan 2050 has pledged to achieve carbon neutrality before 2050 (with an interim target to reduce carbon emissions by 50 per cent. against 2005 levels before 2035), and the PRC before 2060 (with carbon emissions to peak before 2030). The PRC's Fourteenth and Fifteenth Five-Year Plans, including the "Outline of the Fifteenth Five-Year Plan for National Economic and Social Development of the PRC" (《中華人民共和國國民經濟和社會發展第十五個五年規劃綱要》), reflect this commitment through targets to reduce carbon intensity, increase non-fossil fuel energy consumption and expand hydrogen and other clean energy industries. The Hong Kong and PRC governments' moves to net-zero may have a materially adverse effect on HKCG's results of operations or financial position, particularly in relation to its Utilities Businesses.

In Hong Kong, HKCG is a registered gas supply company. See "Relationship with the Government". The Hong Kong piped city-gas supply market is currently highly regulated, and HKCG has approximately 74 per cent. penetration rate of domestic households (based on the ratio of the number of HKCG's total residential customers to the total number of Hong Kong domestic households). HKCG cannot give any assurance that the Hong Kong government will not, in the future, seek to develop the regulatory environment for the supply of, and pricing mechanisms related to, piped city-gas in Hong Kong, including requiring existing operators of gas supply infrastructure to provide capacity, such as HKCG's gas pipelines, for additional suppliers in order to encourage competition. The Hong Kong government may also adopt pricing regulations similar to those that apply to other utility companies, or it could revoke, suspend or decline to renew HKCG's registration. Any such development may have a materially adverse effect on HKCG's results of operations or financial position.

Due to the "take-or-pay" nature of HKCG's natural gas purchase contracts for its piped city-gas business, HKCG could be exposed to imbalances between the supply of natural gas by its suppliers and the purchase of gas by its customers. Inability to fully pass on natural gas cost fluctuations to piped city-gas end-users in the PRC could adversely affect HKCG's financial condition and results of operations.

HKCG's natural gas purchase contracts are "take-or-pay" contracts, pursuant to which it is required to pay for a specified minimum volume of natural gas. In Hong Kong, HKCG has entered into a 25-year natural gas contract with its supplier, Guangdong Dapeng LNG Company Limited ("Guangdong Dapeng"), in which the unit price is subject to a maximum price and a minimum price. See "Description of HKCG – Suppliers and Customers – Suppliers". The "take-or-pay" nature of HKCG's

contracts exposes it to imbalances between the purchase of natural gas and the sale of gas. In circumstances where such an imbalance exists, “take-or-pay” provisions could have a material adverse effect on HKCG’s financial condition and results of operations.

In the PRC, in alignment with the PRC’s policy to accelerate the establishment of a price linkage mechanism for residential customers of upstream and downstream natural gas, the Group adopted cost pass-through mechanisms for most of its industrial, commercial and residential customers. However, in the event of an increase in the price of natural gas where HKCG is unable to pass-through the full amount of the increase or where approvals are required to effect the pass-through, HKCG’s financial condition and results of operations may be adversely affected.

On June 20, 2017, in order to strengthen the regulation of gas distribution tariff and maintain the healthy development of downstream distribution industry, the NDRC published the Guidelines to Strengthen the Gas Distribution Tariff Regulation (《關於加強配氣價格監管的指導意見》)(the “Guidelines”). The Guidelines stipulated the principle of “permitted costs plus reasonable returns” governing gas distribution tariffs, with the after-tax internal rate of return on total investment not exceeding 7 per cent. in principle.

HKCG relies on a limited number of key suppliers for a significant portion of its supply of natural gas and naphtha in Hong Kong and the PRC. The loss of any of these key suppliers, or a reduction in supply from any of them, could adversely affect HKCG’s business and operating results.

For the year ended 31 December 2025, in Hong Kong, HKCG maintains a diversified sourcing strategy for its raw materials, primarily natural gas and naphtha. These are sourced from multiple origins, mainly Australia and Southeast Asia. In the PRC, currently some of HKCG’s project companies have not signed long-term supply contracts with upstream suppliers, and as a consequence, HKCG cannot guarantee that these project companies will have adequate stable supplies of natural gas. Compounded with an expected increase in natural gas consumption in the PRC driven by the enforcement of the government’s coal-to-gas policy, the lack of stable supply of natural gas may have a material adverse effect on HKCG’s financial condition and results of operations. In addition, HKCG’s project companies in the PRC rely on a limited number of companies for their natural gas supply and transportation. See “*Description of HKCG – Suppliers and Customers – Suppliers*”. While these suppliers are parties to term contracts, HKCG may be unable to negotiate extensions or replacements of these contracts on favourable terms, if at all. The loss of all or a portion of the volumes of natural gas supplied by these suppliers could also have a material adverse effect on HKCG’s financial condition and results of operations.

HKCG relies upon its suppliers to produce and deliver, in a timely manner, the quality and volumes of naphtha and natural gas primarily from Southeast Asia and Australia for which they contract with HKCG. In the event that one or more of HKCG’s suppliers does not perform in accordance with its contractual obligations, HKCG may be required to seek alternate sources of naphtha and natural gas supply to satisfy its contractual sale obligations. In the event that such supply becomes scarce or the price of raw materials rises significantly, whether as a result of extreme demand, political events, natural disasters or otherwise, HKCG may not be able to satisfy its supply requirements or may be required to pay more to secure incremental naphtha and natural gas supplies, which would have a material adverse effect on its financial condition and results of operations.

If HKCG is unable to renew, extend or replace gas sales contracts with its commercial and industrial customers, if it renews them on less favourable terms, or if it otherwise loses certain key customers, HKCG may suffer a material reduction in its revenues, earnings and cash flows.

HKCG’s commercial and industrial customers in Hong Kong and the PRC accounted for approximately 64 per cent. and 43 per cent., respectively, of its total piped city-gas sales by volume in the year ended 31 December 2025. See “*Description of HKCG – Suppliers and Customers*”. Many of HKCG’s commercial and industrial gas sales that comprise its revenue are generated under contracts that expire periodically and must be renegotiated and extended or replaced, in some instances on an annual basis. There can be no assurance that HKCG will be able to extend or replace these gas sales contracts for

commercial and industrial customers when they expire or that the terms of any renegotiated contracts will be as favourable to HKCG as the existing contracts. If HKCG is unable to renew, extend or replace these contracts or if it renews, extends or replaces them on less favourable terms, HKCG may suffer a material reduction in its revenues, earnings and cash flows, which would adversely affect its financial condition and results of operations.

HKCG's PRC operations rely in part on revenue from gas connection, which may be adversely affected by conditions in the PRC real estate market and fiscal and pricing restrictions introduced by the PRC government.

A substantial proportion of the revenue generated by HKCG's PRC operations is derived from gas connection, which is gas pipeline networks connection under gas connection contracts in order to connect property development projects, commercial or industrial customers to HKCG's gas pipeline networks. Gas connection fees are typically received in stages based on the pipeline construction and will generally achieve a higher gross margin than revenue generated from gas sales.

As a large portion of this gas connection fee income is generated from residential property development projects, the results of gas connection operations may be affected by the performance of the PRC real estate markets and the general economic conditions in China. In recent years the PRC government and PRC fiscal regulatory bodies have imposed various policies designed to limit or restrict the rate of growth of real estate development in the PRC. While HKCG believes that its geographic coverage, with interests in 325 piped city-gas projects (inclusive of city-gas projects re-invested by the Group's companies) across 23 provinces, autonomous regions and municipalities in the PRC as at 31 December 2025, helps mitigate the risks of adverse property market conditions in individual cities, there can be no assurance that HKCG's PRC operations will not be adversely affected if further property market credit-tightening measures are introduced. The PRC property market has experienced a downturn in recent years. Although the PRC government has introduced various stimulus measures to support the real estate sector, there can be no assurance that such measures will be effective or sufficient to reverse the downturn. In addition, property development projects may be materially and adversely affected by a number of factors, including shortage of equipment or materials, price fluctuations, bad weather, natural disasters, accidents, downturns in the property market, operational conditions and other unforeseeable situations or matters. Should any of these events occur, the completion of the whole or part of the property development project may be postponed and, consequently, the receipt of connection fees may be delayed. The PRC government, keen to promote consumption of natural gas for environmental reasons, may also seek to regulate, reduce or abolish the one-time gas connection fees charged by the project companies of HKCG. There is no assurance that such regulatory policies will not be extended to all the cities or provinces. On 27 June 2019, the National Development and Reform Commission (the "NDRC"), the Ministry of Housing and Urban-Rural Development and the State Administration for Market Regulation jointly issued the "Guidance to Regulate the Charges of Installation for Urban Gas Projects" (《關於規範城鎮燃氣工程安裝收費的指導意見》) under which fees charged on installation of urban gas projects will only be levied on assets belonging to users within the building area. For new residential buildings, the installation fee will be included in the housing price instead of charging the users directly and for the installation fees charged for urban gas projects, the ratio of profit to cost shall not exceed 10 per cent. in principle. On 23 December 2020, the General Office of the State Council circulated the "Opinions about Standardizing and Regulating Fees for Water, Electricity, Gas and Heat Supplies in Cities and Towns and Promoting High-quality Development of the Utilities Industry" (《關於清理規範城鎮供水供電供氣供暖行業收費促進行業高品質發展的意見》) effective from 1 March 2021, which stressed that unreasonable charges in utilities industry must be scrapped, residents should not be asked to pay for the cost of water and gas pipelines outside the residential property project and that construction and installation fees for water and gas pipelines within new commercial housing projects and public housing projects should be covered by property developers, and must not be paid by home buyers. There is no assurance that HKCG will continue to have the right to charge pipeline connection fees in its existing markets at the levels currently enjoyed by its project companies, or that HKCG will be able to charge similar connection fees in new markets. Any reduction in connection fees will have an adverse impact on HKCG's results of operations and financial condition.

HKCG could be exposed to the credit risk of its customers, and an increase in the non-payment by its customers could affect its business and financial condition.

The risk of non-payment or delayed payment is a major concern in HKCG's business, especially with respect to customers that have high energy consumption or water usage. Although HKCG has the ability to terminate or suspend provision of energy or water to its customers who do not pay, any material increase in non-payment by its customers may materially and adversely affect the operating results, prospects and financial condition of HKCG.

HKCG is subject to risks related to non-performance by its suppliers, commercial and industrial customers and other counterparties due to force majeure events.

Substantially all of HKCG's contracts with suppliers, commercial and industrial customers and other counterparties have force majeure provisions that permit such parties to suspend, terminate or otherwise not perform obligations under their contracts with HKCG upon the occurrence of certain events including, but not limited to, strikes and other industrial or labour disturbances, terrorism, restraints of government, civil disturbances, accidents or breakages of machinery or equipment, failure of suppliers, interruptions or delays in transportation, or any natural disaster; all being circumstances not within the control of the party claiming force majeure. A force majeure event under HKCG's long-term natural gas supply contract and term naphtha supply contracts in Hong Kong and term natural gas supply contracts in the PRC includes any act, event or circumstance which merely renders performance uneconomical for either HKCG or its supplier. If one or more of HKCG's commercial and industrial customers, suppliers or other counterparties do not perform under their contracts for any extended period of time, HKCG's results of operations and financial condition could be materially adversely affected.

HKCG faces competition from competing products within the energy industry and HKCG's PRC piped city-gas projects are subject to competition in the energy market and HKCG's strategy to diversify its portfolio may face challenges.

Due to high barriers to entry, HKCG does not currently face any significant direct competition in the provision of piped city-gas in Hong Kong. HKCG does, however, compete against other energy substitutes including coal gas, liquefied petroleum gas ("LPG"), diesel fuel, biofuel, electricity, and renewable energy in Hong Kong and the PRC. Fuel consumers will consider factors such as connection fees, usage charges, energy content, reliability, convenience and safety when choosing a fuel. Most major appliances, such as cooking stoves or hot water heaters, can only run on a single fuel such as gas, LPG, oil products or electricity. There is no assurance that existing end-users will continue to use gas. HKCG's success depends on its ability to compete effectively with the existing and new energy substitutes in Hong Kong and the PRC. Intensified competition among energy sources may result in increased costs and downward pressure on prices, all of which may adversely affect the business and financial condition of HKCG.

In the PRC, HKCG's piped city-gas projects compete with various participants in the energy market including electricity companies, LPG providers, oil products providers, steam providers operating combined heat and power generation and upstream suppliers entering the downstream piped city-gas business. The Group also competes for the right to establish exclusive operations with other piped city-gas companies, whether through a competitive bidding process for a project or otherwise. Most of HKCG's projects have exclusive operation rights in their respective operating areas to supply piped city-gas. However, some piped city-gas projects are still in the process of obtaining such exclusive operation rights, of which some began exclusive operations before the promulgation of the "Administrative Measures on Municipal Utility Concession" in 2004 and the other projects were recently established. Prior to the measures being adopted in the PRC, exclusive concessions were not formally granted. There is no assurance that these projects will successfully obtain exclusive operation rights in these jurisdictions, which may subject them to additional competition risk from other downstream participants. An increase in competition may adversely affect the financial condition and results of operations of these projects.

HKCG has established a “twin-engine” growth strategy, with the utility operations providing a stable earnings base for HKCG alongside its growth businesses, including renewable energy, green methanol, hydrogen energy, SAF, and extended businesses. However, there can be no assurance that any of the growth businesses will be commercially successful or that the new energy sources on which such businesses are premised will prove to be technically feasible, commercially viable or widely adopted. HKCG’s growth businesses require significant capital investment and may be subject to technological, regulatory, market and competitive risks that are difficult to predict. If any or all of the growth businesses fail to perform as expected, or if the relevant new energy sources do not develop as anticipated, this could have a material adverse effect on the business, financial condition and results of operations of HKCG.

There can be no assurance that HKCG will be able to compete successfully against existing and potential energy substitutes or that increased competition within the energy industry will not have an adverse effect on HKCG’s business and financial condition. See “*Description of HKCG – Competition*”. Any material decrease in the usage of piped city-gas by either industrial or commercial users or domestic users as a whole may materially and adversely affect the operating results, prospects and financial condition of HKCG.

HKCG is subject to joint venture risks associated with its PRC joint ventures and its Thailand project.

HKCG has interests in many joint ventures engaging in the piped city-gas, water, sewage, coal-related and other energy-related businesses in the PRC and an oilfield project in Thailand. Such joint ventures may involve special risks, including the possibility that the joint venture partner may (i) have economic or business objectives that are inconsistent with those of HKCG, (ii) experience financial difficulties that may require additional funding from HKCG, or (iii) be unable or unwilling to fulfil its obligations under the joint venture contracts. Certain important decisions of these joint ventures, including (x) amendment of their articles of association, (y) the termination and dissolution of the joint ventures, or (z) the merger of the joint ventures with other economic entities, must be passed by unanimous approval of all joint venture partners. In addition, the transfer of any interest may be subject to a right of first refusal or other restrictions and HKCG’s results of operations are partially dependent on the ability of these joint ventures to pay dividends to the shareholders.

Of relevance to HKCG’s PRC joint ventures is the “Catalogue for the Guidance of Foreign Investment Industries” promulgated by the Ministry of Commerce (the “MOFCOM”) and the NDRC in the PRC on 30 November 2004, effective on 1 January 2005, which states that (a) the construction and operation of urban water plants falls within the category of industries in which foreign investment is encouraged, and (b) the construction and operation of fuel gas, heat and water supply and sewage networks in large and medium sized cities falls under the category of industry in which foreign investment is subject to restrictions and the Chinese partners shall hold the majority shareholdings. On 31 October 2007, the MOFCOM and the NDRC jointly issued the revised Catalogue for the Guidance of Foreign Investment Industries effective 1 December 2007, under which the construction and operation of fuel gas, heat and water supply and sewage networks in big cities fall under the category of industry in which foreign investment is subject to restrictions and the Chinese partners shall hold the majority shareholdings. On 24 December 2011, the MOFCOM and the NDRC jointly issued the new Catalogue for the Guidance of Foreign Investment Industries effective 30 January 2012, which specifies that the construction and operation of fuel gas, heat and water supply and sewage networks in cities with a population of more than 500,000 people fall under the category of industry in which foreign investment is subject to restrictions and the Chinese partners shall hold the majority shareholdings. Respectively on 10 March 2015 and 28 June 2017, the MOFCOM and the NDRC jointly issued the Catalogue for the Guidance of Foreign Investment Industries (2015 Revised) and the Catalogue for the Guidance of Foreign Investment Industries (2017 Revised), under which the construction and operation of fuel gas, heat and water supply and sewage networks in cities with a population of more than 500,000 people remain under the category of industry in which foreign investment is subject to restrictions and Chinese partners shall hold the majority shareholdings. On 28 June 2018, the MOFCOM and the NDRC jointly issued the Special Administrative Measures (Negative List) for Foreign Investment Access (2018 Version) effective from

28 July 2018, under which the construction and operation of fuel gas, heat and water supply and sewage networks in cities with a population of more than 500,000 people is included in the negative list for foreign investment access and Chinese partners shall hold the majority shareholdings. On 30 June 2019, the MOFCOM and the NDRC jointly issued the Special Administrative Measures (Negative List) for Foreign Investment Access (2019 Version) replacing the Special Administrative Measures (Negative List) for Foreign Investment Access (2018 Version) from 30 July 2019 under which the construction and operation of fuel gas and heat in cities with a population of more than 500,000 people was removed from the negative list for foreign investment access, which was subsequently superseded by the Special Administrative Measures for Foreign Investment Access (Negative List) (2024 Version)(《外商投資准入特別管理措施(負面清單)(2024年版)》), effective from 1 November 2024. Before 1 January 2020, under the then applicable PRC laws, the establishment and alteration of the foreign invested enterprises which fall within the category of industry as listed in the negative list for foreign investment access shall be approved by competent commerce authorities other than being filed with the commerce authorities. HKCG believes its business is in line with the PRC government's national policy and that local governments are supportive of the business of HKCG. See “*The Hong Kong and PRC Gas Industry – PRC Downstream Piped City – Gas Industry*”. The establishment and the business of HKCG's PRC project companies have in each case been approved by the relevant local commerce authority or MOFCOM except for a few PRC project companies the incorporations of which have not been approved by the relevant commerce authorities, and in many cases, HKCG's joint venture partners are state-owned enterprises. The law stipulated that an approval from the competent commercial administration must be granted before a joint venture can be established. However, there is no specific provision under PRC laws on specific penalties for establishing joint ventures without such approval. In the event, however, that relevant approvals in respect of new projects in the PRC and elsewhere are not granted, HKCG's existing expansion plans and strategies may have to be revised and the operating results, prospects and financial condition of HKCG may be adversely affected. On 15 March 2019, the National People's Congress of the PRC adopted the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》)(the “Foreign Investment Law”) with a view toward unifying and streamlining the foreign investment framework into China which came into effect on 1 January 2020, according to which, all foreign invested enterprises, including HKCG's PRC project companies, are required to follow the corporate governance rules under the “Company Law of the PRC”(《中華人民共和國公司法》). The five-year transition period for foreign invested enterprises formed prior to the Foreign Investment Law expired on 31 December 2024.

HKCG may have difficulty implementing and monitoring its corporate policies across its joint ventures in the PRC and in Thailand.

HKCG strives to implement its corporate governance, operational and safety standards at each of its joint venture projects in the PRC and in Thailand. Due to the joint venture structure of the projects, implementing and monitoring these standards may prove difficult and failure to do so may result in violations of local regulations or HKCG's own internal policies. There have also been instances that certain of HKCG's PRC project companies were not fully in compliance with PRC laws or regulations relating to competition, pricing, land administration, environmental protection and registration of alterations for foreign invested enterprises and were imposed administrative penalties by PRC governmental or regulatory authorities for such non-compliance. There can be no assurance that HKCG can effectively monitor each joint venture and prevent non-compliance. This may result in violations that could affect HKCG's reputation and business prospects in the PRC and in Thailand, which could materially adversely affect its financial condition and results of operations.

Some of HKCG's PRC project companies do not possess valid land use rights, building ownership certificates or valid leases to certain properties.

Some of HKCG's PRC project companies do not possess valid land use rights or building ownership certificates to certain properties used to conduct business. In addition, certain land and buildings have been leased from third parties who have not provided the relevant land use rights, building ownership certificates or consents of the co-owners (as applicable) mainly for business operation or office

purposes, and a substantial portion of the leasehold interests in leased properties have not been registered with the relevant PRC government authorities as required by PRC laws. There can be no assurance that the use of such leased properties will not be challenged.

HKCG's gas businesses in the PRC and its Thailand project are dependent on their ability to maintain their licences and/or concession rights.

HKCG conducts its piped city-gas business in the PRC pursuant to licences from the PRC government which authorises it, in some instances, to provide exclusive gas delivery services in various PRC locales. Although many of the PRC project companies possess valid gas operation licences, some are still in the process of obtaining or renewing such licences. Furthermore, for the project companies that have obtained such licences, the PRC government may revoke HKCG's licences in certain circumstances based on the recommendation of the governmental bodies charged with the regulation of the transportation, distribution, marketing and storage of gas. Although HKCG is not aware of any material adverse breaches and/or potential material adverse breaches of the terms and conditions of its existing licenses, the reasons for which HKCG's licences in the PRC may be revoked include:

- repeated failure to comply with the obligations under its licences and failure to remedy a significant breach of an obligation in accordance with specified procedures;
- total or partial interruption of service for reasons attributable to it that affects transportation capacity during the periods stipulated in its licences;
- sale, assignment or transfer of its essential assets or the placing of encumbrances thereon without prior authorisation, unless such encumbrances serve to finance extensions and improvements to the gas pipeline system;
- its bankruptcy, dissolution or liquidation;
- the gas supplied failing to meet the national standard, which persists after the warnings of relevant regulatory agencies;
- ceasing and abandoning the provision of the licenced service, attempting to assign or unilaterally transfer its licences in full or in part without prior authorisation, or giving up its licences, other than in the cases permitted therein; and
- delegation of the functions granted in such licences without the prior authorisation of or the termination of such licences without regulatory approval of new licences.

If any of HKCG's licences were revoked, it would be required to cease providing gas supply and transportation services in the relevant PRC locale. The impact of a loss of some or all of its licences on HKCG's business, financial condition and results of operations may be material and adverse. The fact that pricing of piped city-gas is subject to the review and approval of relevant PRC local governmental authorities may also adversely affect the financial condition and results of operations.

Further, in respect of HKCG's Thai project, the Group currently holds concession rights for two onshore oilfield blocks in Thailand. The concession rights granted by the Thai authorities for the Thai project are fixed terms. The two concession rights are expiring in July 2032, and with an option to extend such concession rights by an additional ten years. Certain conditions and restrictions are imposed on the concession rights granted. Concessioner(s) will lose their concession rights in circumstances such as a criminal act under Thai law having been committed or severe non-compliance with the Petroleum Act, B.E. 2514. (1971). Any loss of concession rights for the Thai project may adversely affect the Group's financial performance.

The prices of energy products such as methanol, liquefied coalbed methane, hydrogenated vegetable oil and coal are subject to market fluctuations.

The results of operations of the Group are highly dependent upon the prices it receives for its energy products such as hydrogen, distributed photovoltaics, green methanol, liquefied coalbed methane (“LCBM”), hydrogenated vegetable oil (“HVO”) and coal. The Group price their products largely by reference to domestic market prices for hydrogen, distributed photovoltaics, green methanol, LCBM, HVO and coal, which have historically fluctuated and may continue to fluctuate in response to resource availability, government policies, costs of production, global and regional economic conditions, demand in end markets for products in which the products are used, technological developments, fluctuations in global production capacity and the level of prices in global markets. Any fluctuation in market prices for hydrogen, distributed photovoltaics, green methanol, LCBM, HVO and coal will affect the Group’s results of operations and cash flows. Extended or substantial market price declines would negatively impact the prices of the Group’s products and may also have a material adverse effect on their results of operations and financial condition.

HKCG’s operations are subject to the risks, some of which may not be fully covered by insurance, of equipment and systems failure, accidents, interruptions and terrorism.

HKCG’s gas transportation and distribution systems, green fuel production plants, coal miners and coalbed methane liquefaction facility, refilling stations, on-shore oilfield exploration and production facility, water supply and waste treatment facilities, renewable facilities and other property, plant and equipment are subject to many operational and technical risks, including the breakdown or failure of equipment, information systems and processes; the performance of equipment below original forecasts (whether due to misuse, unexpected degradation, design flaws or, construction or manufacturing defects); failure to keep on hand adequate supplies of spare parts; operator error; and labour disputes.

In addition, adverse weather due to climate change, natural disaster, catastrophe or other event could result in severe personal injury, property damage and environmental damage, which could curtail HKCG’s operations and otherwise materially adversely affect its cash flows and, accordingly, adversely affect its ability to service debt. Substantially all of HKCG’s gas-related, water-related, coal-related and other processing operations are exposed to potential natural disasters, including but not limited to typhoons, storms, floods and earthquakes. If one or more facilities that HKCG owns or operates or the facilities of another company that is engaged in petrochemical, energy and other industries that is also subject to the risks discussed above and that is located in one of HKCG’s supply areas, are damaged by severe weather or any other disaster, accident, catastrophe or other event, HKCG’s operations could be significantly interrupted. Similar interruptions could result from damage to production or other facilities that supply HKCG’s facilities or other stoppages arising from factors beyond its control. The occurrence or continuance of any of these or similar events could increase the costs associated with HKCG’s operations and reduce its ability to operate its businesses at their intended capacities, thereby reducing revenues. Risks of substantial costs and liabilities, including those from leaks and explosions and similar events and accidents, are inherent in HKCG’s principal operations and HKCG cannot give any assurance that significant costs and liabilities will not be incurred, including those relating to claims for damages to property or persons.

Although HKCG believes it has adequate insurance coverage, HKCG may not be fully insured against all of the risks inherent in its business. If a significant accident or event occurs against which HKCG is not fully insured, its financial condition and results of operations would be adversely affected. In addition, HKCG may not be able to obtain insurance of the type and amount it desires at reasonable rates. Premiums and deductibles for insurance policies may increase substantially, and certain insurance could become unavailable or available only for reduced amounts of coverage. If HKCG were to incur significant liability for which it is not fully insured, such liability could have a material adverse effect on HKCG’s financial position and results of operations. In addition, any claims made under any insurance policies maintained by HKCG may not be paid in a timely manner, or at all, and may be insufficient if such an event were to occur.

Labour disruptions could interrupt HKCG's operations.

As at 31 December 2025, HKCG, including its subsidiaries, but not joint ventures or associates employed approximately 55,006 employees in Hong Kong, the PRC and Thailand. See “*Description of HKCG – Employees – Employee Relations*”. Some of HKCG’s Hong Kong and PRC employees are currently represented by labour unions and may become fully unionised in the future. In addition, some of HKCG’s suppliers, contractors or companies (in each case, especially in the PRC) in which it has investments are or may become unionised in the future or experience labour instability. Although HKCG has enjoyed good labour relations to date and has no reason to expect its labour relations to deteriorate or in any way become disruptive to its businesses, HKCG is unable to predict the outcome of any future labour negotiations and any future conflicts with its employees or contractors and/or their respective unions could arise and have a material adverse effect on its results of operations and financial condition.

HKCG's non-compliance with environmental regulations, including those to be implemented in the future, in Hong Kong, the PRC and Thailand may result in material adverse effects on its results of operations.

A variety of general and industry-specific Hong Kong, PRC and Thai environmental laws and regulations apply to HKCG’s gas-related, water supply and waste treatment, green fuel production, coalbed methane liquefaction, on-shore oilfield exploration and production, coal-mining and processing and other energy-related operations, including those in Hong Kong, the PRC and Thailand, concerning issues such as damage caused by air emissions, noise emissions, waste water discharges, waste pollution, solid and hazardous waste handling and disposal, requirements for obtaining environmental impact assessments and the investigation and remediation of contamination. Costs and liabilities related to compliance with applicable environmental laws and regulations are an inherent part of the HKCG’s business. These laws can impose liability for non-compliance with regulations or clean up liability on generation of hazardous waste and other substances that are disposed of either on- or off-site, regardless of fault or the legality of the disposal activities. Other laws may require HKCG to investigate and remediate contamination at its properties or where it conducts operations, including contamination that was caused in whole or in part by previous owners of its properties or to carry out various environmental impact assessment prior to any exploration activities, which may involve substantial investment in time and resources. Moreover, these laws and regulations are increasingly becoming more stringent and may in the future create substantial environmental compliance or remediation liabilities and costs. While HKCG intends to comply with applicable environmental legislation and regulatory requirements, it is possible that such compliance may prove restrictive and/or costly.

In addition to potential clean up liability, HKCG may become subject to monetary fines and penalties for violation of applicable environmental laws, regulations or administrative orders. For example, some PRC projects have not obtained relevant approvals from the environmental authorities for some of their major projects related to the installation of the pipelines, gas and water supply facilities and other energy infrastructure assets.

This may also result in closure or temporary suspension or adverse restrictions on its operations. HKCG may also, in the future, become involved in proceedings with various regulatory authorities that may require it to pay fines, comply with more rigorous standards or other requirements or incur capital and operating expenses for environmental compliance. In addition, third parties may sue HKCG for damages and costs resulting from environmental contamination emanating from its properties and/or production facilities.

Although there has been no claim that HKCG’s properties and production facilities are not in compliance in all material respects with all applicable environmental laws, unidentified environmental liabilities could arise which could have an adverse effect on HKCG’s business and financial condition, profitability and results of operations. See “*Description of HKCG – Environmental Matters and Safety*”.

HKCG has made significant investment to diversify into new growth businesses, which if not successful, could adversely affect HKCG's business and financial condition.

HKCG is committed to developing into new growth businesses, including renewable energy, green fuels and extended businesses. See “*Description of HKCG – Growth Business – Renewable Energy*”. HKCG may not be successful in implementing new business strategies or penetrating new industries. HKCG's business strategy includes expanding the range of its products and services to diversify its revenue sources which exposes HKCG to a number of risks and challenges, including, among others, the following:

- new business activities may require greater marketing and compliance costs than HKCG's traditional services;
- new business activities may have less growth or profit potential than HKCG anticipates, and there can be no assurance that new business activities will become profitable at the level HKCG desires, or at all;
- the new technology that HKCG relies on to develop its new businesses may not be successful;
- HKCG's competitors may have substantially greater experience and resources to commit to the new business activities HKCG wishes to develop;
- HKCG may not have sufficient expertise amongst its personnel and management who are able to supervise and conduct the relevant new business activities; and
- HKCG may need to dedicate additional resources in order to enhance the capability of its information technology and risk management systems to support a broader range of activities.

New business endeavours may require knowledge and expertise which differ from those used in HKCG's current business operations, including different management skills, risk management procedures, guidelines and systems. HKCG may not be successful in developing such knowledge and expertise or implementing its business strategy. HKCG's inability to implement its business strategy could have a material adverse effect on its business, financial condition and results of operations.

Expansion of HKCG's gas and water supply and waste treatment utilities businesses is subject to risks, including, without limitation, time and cost overruns, any of which could cause an adverse effect on its business and financial condition.

One of the ways HKCG expects to grow its gas and water supply and waste treatment utilities businesses is through the construction of additions to its existing processing, transportation and distribution systems in the PRC. The construction of a new pipeline, the expansion of an existing pipeline or the construction of new processing facilities each involves regulatory, environmental, political and legal uncertainties beyond HKCG's control and requires the expenditure of significant amounts of capital that HKCG will be required to finance through borrowings or from operating cash flow. If HKCG undertakes these projects, there can be no assurance that the actual costs incurred, the capacity added or time taken for implementation of these expansion plans will not vary from HKCG's expectations.

HKCG may also rely on estimates of future demand and cash flow projections in its decision to build additional capacity, which may prove to be inaccurate. If HKCG experiences unanticipated or extended delays in generating operating cash flow from any of these new projects, it may need to reallocate or reprioritise financial resources, which may adversely affect its business, prospects, financial condition or results of operations.

HKCG may not succeed in its endeavours to conduct upstream exploration, extraction, transportation and chemical processing activities.

One of HKCG's current businesses is to invest in upstream resource supply projects, including liquefied natural gas and coalbed methane projects in the PRC. However, since HKCG has historically focused primarily on operating and developing downstream gas production plants, it may not have the experience or expertise necessary for the successful operation of the upstream gas resource it may develop or acquire or the processing facilities it may operate, whether on its own or in conjunction with a joint venture partner. HKCG may not be successful in developing the requisite knowledge and expertise for successful development of its businesses. In addition, managing this business will require significant managerial and operational resources. If HKCG fails to manage its diversification and growth strategy or identify or address the risks and uncertainties particularly associated with the exploration, excavation and processing of coal, its strategy may not succeed as anticipated and its business operations and financial performance may be materially and adversely affected.

In addition, the exploration and exploitation of upstream gas resource in China are subject to the approval of, and registration with, the relevant PRC government authorities. There is no assurance that HKCG will be successful in procuring the necessary exploration or exploitation rights, or that it will be successful in procuring the necessary mining or other permits. Failure to procure exploration or exploitation rights or mining permits could have a material adverse effect on HKCG's business, financial condition and results of operations.

HKCG's upstream gas resource business is subject to safety regulations and accidents could have a material adverse effect on HKCG's business.

Upstream gas resource business involves significant risks and occupational hazards that are inherent in such activities and may not be completely eliminated through the implementation of preventive measures. Factors such as insufficient attention to safety or maintenance and working conditions associated with overproduction could result in accidents. In particular, underground mining activities are dangerous if the mines have high concentrations of methane gas, as such mining activities generate sparks which may ignite a build-up of methane gas and/or coal dust and result in explosions and water leaking. To prevent underground gas explosions, HKCG has to closely monitor its coal mining operations and carefully determine the amount of coal produced in each of its underground coal mines based on the level of methane gas concentration and the condition of the ventilation system in each of such mines in accordance with the PRC government's safety requirements.

Although HKCG has not experienced any major accidents at its coal mines, there is no assurance that the safety measures currently implemented by HKCG in its coal mines and the ventilation and methane gas sensor systems utilised by HKCG are sufficient to prevent all potential accidents. An accident at any of HKCG's coal mines may have a material adverse effect on HKCG's business and financial condition, results of operations and corporate image. Furthermore, even if accidents do not occur at HKCG's coal mines, accidents or safety hazards occurring at neighbouring mines could create safety hazards affecting HKCG's coal mining operations or even result in a suspension of HKCG's coal mining operations by the relevant authorities. There have been a number of significant mining accidents in China in the last decade which have prompted the PRC government to strengthen safety regulations, and future accidents may result in the imposition of further regulations. HKCG may be required to devote financial and other resources to comply with such regulations.

HKCG maintains insurance typical in the PRC coal mining industry and in amounts that HKCG believes to be adequate. However, there can be no assurance that the insurance maintained by HKCG will provide adequate coverage in certain circumstances.

HKCG may fail to obtain or renew required government approvals, permits and licenses for the operating activities.

It is required to obtain certain government approvals, permits and licenses for HKCG's operating activities in gas. HKCG's ability to carry on business is therefore subject to its ability to obtain, and the relevant government authorities' willingness to issue, renew and not revoke, such requisite approvals, permits and licenses. In particular, certain of HKCG's PRC project companies are in the process of applying for the issuance or extension of the governmental licenses or permits required for the operations including, without limitation, certain gas operation permits, hygiene permits, work safety permits, pollutant discharge licenses and road transportation permits. In addition, the construction of gas, water and other energy-related infrastructure, including pipelines, in the PRC requires various governmental approvals, licenses or permits including but not limited to project verification approvals, planning permits, construction permits and certificates or confirmations of completion and acceptance. Certain of HKCG's PRC project companies are currently in the process of applying for the relevant governmental approvals or permits for the construction of certain projects. There can be no assurance that HKCG will be able to obtain or renew its existing approvals, permits and licenses on commercially reasonable terms in a timely manner, or at all, and such approvals, permits and licenses may be revoked by the relevant authorities. HKCG could be subject to fines or penalties imposed by the relevant government authorities, or be required to cease the construction or operation of certain of the projects due to non-compliance with the terms of the government approvals, permits and licenses. Any such fines, penalties or orders for the cessation of construction or operation could materially and adversely affect HKCG's business, financial condition and results of operations.

HKCG is required to comply with environmental laws and regulations, and could be exposed to risk relating to environmental and health and safety issues.

HKCG is required to comply with numerous national and local laws and regulations, including ones that require the obtaining of licenses and/or approvals relating to the protection of the environment and land use, which are constantly changing. The requirements to obtain such licenses and/or approvals may be made more stringent in the future and such license and/or approvals may not be renewed when they expire. There have been instances where some of HKCG's PRC project companies were not in full compliance with the applicable environmental laws, such as the requirement to undergo and pass an environmental impact assessment and to obtain an environmental approval for certain project. Several of HKCG's PRC project companies have not undergone an environmental impact assessment before commencing construction or obtained an environmental acceptance approval upon completion. There have also been instances where certain of HKCG's PRC project companies were imposed administrative penalties including fines by relevant environmental authorities for non-compliance with relevant environmental protection requirements. In addition, some of HKCG's PRC project companies are currently in the process of obtaining or renewing the pollutant discharge licenses for certain projects.

Failure to obtain any such licenses and/or approvals or to comply with any environmental laws and regulations could have a material adverse effect on HKCG, including closure of individual facilities not in compliance, as well as the imposition of civil or criminal liability and the imposition of liens or fines, and expenditures to bring its facilities into compliance. In addition, compliance with new environmental laws and regulations may result in significantly increased costs for HKCG.

In addition, the water supply and waste treatment, gas-related and green fuel operations in the PRC could expose HKCG to risk of substantial liability relating to environmental and health and safety issues, such as those resulting from discharge of pollutants into the environment, the handling, storage and disposal of solid or hazardous materials or waste and the investigation and remediation of contaminated sites. HKCG may be responsible for the investigation and remediation of environmental conditions at currently and formerly operated sites. HKCG may also be subject to associated liabilities, including liabilities for natural resource damage, third-party property damage or personal injury resulting from lawsuits brought by the government or private litigants as a result of the activities.

HKCG's upstream gas resource operation is subject to the fluctuation of energy prices

Gas price is the primary factor in deciding whether a reserve is economically feasible and often, the operation cannot be shut down and be restarted instantly when it becomes unprofitable due to oil price movement. Furthermore, escalation of regional conflicts, disruptions to oil supply routes or further volatility in global energy markets could lead to higher operating and transportation costs, increased inflationary pressures and broader macroeconomic uncertainty. There can be no assurance that such geopolitical or commodity price volatility will not continue or intensify, and any sustained increase in oil prices or prolonged instability in the Middle East could have a material adverse effect on HKCG. Therefore, any fluctuation in the price of oil may have an unpredictable impact on the bottom line of HKCG.

HKCG may not succeed in its endeavours to conduct oil exploration, extraction and production activities.

HKCG holds a 60 per cent. effective stake in an onshore oil exploration and production project in Thailand Blocks L33/43 and L44/43, and the Group has entered into a sale and purchase agreement with a key customer for the crude oil that the field produces.

There can be no assurances that the Thai oil exploration and production project will yield crude oil reserves or otherwise or produce sufficient quantities of crude oil. If HKCG does not succeed in its endeavours to conduct oil exploration, extraction and production activities, the Group's results of operations may be affected.

The expansion strategy of HKCG in the PRC relies, in part, on the continued economic development of its operational locations in the PRC.

Although HKCG carries out financial, audit and legal due diligence in respect of each project before it enters into a joint venture contract with a local joint venture partner, there is no guarantee that new PRC locations into which HKCG expands will develop or grow as projected or that there will be sufficient customer demand to justify such expansion. Given the substantial capital investment at the early stages of each project, any unexpected adverse changes in the economic growth of an operational location may materially adversely affect the performance of the relevant project and hence, the performance and financial conditions of HKCG.

HKCG may be unable to execute fully its growth strategy if it encounters difficulties in accessing capital and credit markets.

HKCG's strategy contemplates growth through the development and acquisition of a wide range of downstream, midstream, upstream, water business and other energy and resources infrastructure assets while maintaining a strong balance sheet. This strategy includes constructing and acquiring additional assets and businesses to enhance HKCG's ability to compete effectively and diversify its asset portfolio, thereby providing more stable cash flow.

HKCG regularly considers and enters into discussions regarding the construction or acquisition of additional assets, stand-alone development projects and other transactions that it believes will present opportunities to realise synergies and increase its cash flow. HKCG may require substantial new capital to finance the future development and acquisition of assets. Limitations on HKCG's access to capital will impair its ability to execute this strategy. If HKCG's cost of capital is high, it may not be able to finance the construction or acquisition of assets necessary to implement its business strategy. HKCG may be unable to raise the necessary funds on satisfactory terms, if at all.

The global economic and financial conditions remain challenging and could also have an adverse impact on HKCG's ability to fund its borrowing activities on acceptable terms, or at all. Increased volatility and reduced liquidity in the global capital markets could impact the Hong Kong or PRC markets and limit HKCG's ability to diversify its funding sources and may have the potential to affect HKCG's business, financial condition and results of operations in a materially adverse manner.

HKCG's profit and cash flows are subject to risks due to changes in interest rates and exchange rates.

HKCG's profit and cash flows are subject to volatility stemming from movements in interest rates. As at 31 December 2025, approximately 30.8 per cent. of HKCG's debts were on a floating interest rates basis. HKCG is exposed to interest rate fluctuations on its floating rate debts, which would cause its finance costs to increase in a rising rate environment, and on the interest cost of future debt issues. An increase in HKCG's finance costs could adversely affect its financial condition, prospects, and results of operations. HKCG's profit and cash flows are also subject to volatility stemming from fluctuations in exchange rates, especially Renminbi, as substantial part of HKCG's revenue is generated by its PRC operating subsidiaries and is denominated in Renminbi. The devaluation of Renminbi could adversely affect HKCG's profit and cash flows when translated or converted from Renminbi to other currencies.

HKCG depends on key personnel, the loss of whom may result in an insufficient number of qualified employees.

HKCG believes that its ability to implement its business strategy and its future success depends on the continued service of its senior management team, which has extensive experience in the industry and is vital in maintaining some of its major customer and governmental relationships. In addition, the loss of technical knowledge, management and industry expertise of any of HKCG's key officers, directors and senior managers could make it difficult for HKCG to execute its business plan effectively and could result in delays in new projects being completed as well as loss of major customers while HKCG seeks employee replacements.

The future growth and success of HKCG will depend to a large extent on its ability to retain or recruit qualified individuals to strengthen its management, operational and research teams. With HKCG's continued expansion into the PRC and diversification of its overall business, there may be a lack of sufficient management staff to oversee sales and operating, administrative and financial procedures and controls, which may in turn materially adversely affect the business of HKCG.

Henderson Land Development Company Limited owns a significant stake in HKCG's shares and its interests may differ significantly from those of the Noteholders.

As at 31 December 2025, Henderson Land Development Company Limited ("Henderson Land") was beneficially interested in approximately 41.53 per cent. of HKCG's shares. The interests of Henderson Land may differ significantly from or compete with HKCG's interests or the interests of Noteholders, and there can be no assurance that Henderson Land will exercise influence over HKCG's business in a manner that is in the best interests of the Noteholders.

HKCG is subject to the general risks inherent in property ownership and operation of commercial properties.

HKCG has, and expects that it will continue to have, property interests in Hong Kong, including an approximately 15.8 per cent. interest in the company that owns 100 per cent. of the International Finance Centre complex in Hong Kong (the "IFC"). Historically, the Hong Kong property market has been volatile and cyclical, with Hong Kong property values affected by supply and demand of comparable properties, the amount of new land made available by the Hong Kong government as well as political and economical developments in Hong Kong and the PRC, among other factors.

HKCG is also subject to the general risks incidental to the ownership and operation of commercial properties including, among other things, competition for tenants, changes in market rental levels, inability to collect rent and the need to renovate, repair and re-let space periodically and pay for the associated costs. Rental values are also affected by factors such as political developments, governmental regulations and changes in planning or tax laws, interest rate levels and inflation.

Any decline in property values or rental yields could have an adverse effect on HKCG's business, financial condition or results of operations.

HKCG may not be able to detect fraud or other misconduct by HKCG's directors, senior management, employees, customers or other third parties in a timely manner, or at all.

HKCG may not be able to detect or prevent fraud or other misconduct by its directors, senior management, officers, employees, customers or other third parties in a timely manner, or at all.

HKCG may be subject to fraud and other misconduct committed by its employees, customers or other third parties. While HKCG has implemented, and continues to implement, measures aimed at detecting and preventing employees' and outside parties' fraud and other misconduct, HKCG may not be able to detect or prevent such fraud or misconduct in a timely fashion or in all of its subsidiaries and branch entities, which may harm its reputation and adversely affect its business, results of operations and financial condition. Moreover, given the size of HKCG's operations and the number of employees, its existing measures and systems may not be able to adequately detect and monitor such potential fraud and misconduct. Any fraud or other misconduct committed by or relevant investigations of former directors, senior management, officers or employees previously associated with HKCG may also adversely affect its reputation, business, results of operations and financial condition, even if the actions are unrelated to HKCG or the investigation is unfounded.

HKCG is subject to the cybersecurity risks.

The business operations of HKCG are dependent on information technology systems, including increasingly sophisticated technologies such as artificial intelligence ("AI") and Internet of Things ("IoT") connected devices, that are vulnerable to cyber-attacks, critical system failure, and the leakage or loss of sensitive information, all of which would adversely affect HKCG's operations and corporate image. The increasing adoption of AI across HKCG's operations introduces additional risks, including algorithmic errors, model bias, unanticipated outputs and liability arising from automated decision-making. Cyber-attacks, including hacking, ransomware, phishing, supply chain compromises and other forms of malicious interference, may result in data loss, privacy leakage, disruption to critical infrastructure and non-compliance with applicable data privacy and cybersecurity laws and regulations across the jurisdictions in which HKCG operates, including but not limited to Hong Kong, the PRC and Thailand.

HKCG is subject to data privacy regulations such as the Personal Data (Privacy) Ordinance in Hong Kong and the Personal Information Protection Law of the PRC, which impose obligations in relation to the collection, processing, storage and transfer of personal data. A failure to comply with applicable data privacy requirements, whether arising from a cybersecurity incident or otherwise, may result in regulatory investigations, fines, reputational harm and civil liability. HKCG also relies on third-party technology vendors, cloud service providers and platform operators, and any failure, breach or insolvency affecting such third parties may similarly impact HKCG's operations and data security posture. There can be no assurance that HKCG's existing cybersecurity measures, technology risk management frameworks or data governance policies will be sufficient to prevent or contain the impact of any such events, and any failure to do so could have a material adverse effect on HKCG's business, financial condition or results of operations.

HKCG's computer network may be vulnerable to unauthorised access, computer viruses and other disruptive problems. Costs incurred in rectifying any of such disruptive problems may be high and may adversely affect HKCG's business, financial condition or results of operations. Eliminating these security problems may result in interruptions, delays or termination of user access to HKCG's website.

HKCG's subsidiaries may be subject to restrictions on the payment of dividends to HKCG.

A significant part of the Group's business is conducted through HKCG's subsidiaries, and HKCG depends in part on the receipt of dividends from subsidiaries to satisfy its obligations, including HKCG's obligations under the Guarantee. The ability of HKCG's subsidiaries to pay dividends may be subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the constitutional documents of these companies, applicable laws and restrictions contained in the debt

instruments of such companies. For example, some of the loan agreements entered into by HKCG's subsidiaries may prohibit the payment of dividends to their shareholders until the relevant loan is no longer outstanding. HKCG cannot assure that its subsidiaries will have distributable earnings or will be permitted to distribute their distributable earnings to HKCG as it anticipates, or at all. In addition, dividends payable to HKCG by these companies are limited by the percentage of HKCG's equity ownership in these companies. These factors could reduce the payments that HKCG receives from its subsidiaries, which may reduce HKCG's ability to meet its payment obligations under the Guarantee.

HKCG's failure to identify and adequately address risks associated with ESG factors, including stakeholders' expectations, could adversely affect the achievement of HKCG's long-term strategy and have a material adverse effect on its business, financial condition, results of operations and reputation.

HKCG's ESG strategy focuses on the sustainable, low-carbon transformation of its energy system through clean energy production, innovative technology and digital management. HKCG integrates ESG factors into the decisions it makes and actions it takes in order to achieve its sustainability objectives, and is committed to reducing its carbon footprint and advancing the just transition to a lower-carbon economy through the development of green fuels, hydrogen energy, renewable energy and other clean energy businesses.

Given the continuously evolving global and local business environment and in light of stakeholders' shifting priorities and expectations, HKCG may fail to identify material ESG factors, adequately address pertinent ESG-related risks and expectations, or meet the requirements of its investors, regulators and others across the multiple jurisdictions in which it operates, including Hong Kong and the PRC. This may include any failure to effectively capture ESG-related opportunities to drive meaningful positive impact, including in connection with the Group's green fuels, hydrogen energy, sustainable aviation fuel and renewable energy growth businesses, or any failure to maintain the international sustainability certifications on which those businesses depend. If HKCG is unable to effectively implement its ESG strategy and address the ESG risks, expectations and requirements of its stakeholders, this could adversely affect the achievement of its long-term strategy and could have a material and adverse effect on the Group's reputation, business, financial condition or results of operations.

Risks Relating to Hong Kong and the PRC

Global macroeconomic conditions including geopolitical tensions, trade tensions and interest rate developments could adversely affect HKCG's business, financial conditions and results of operations.

The complex and volatile international political and economic environment, including the continued conflict between Russia and Ukraine and the ongoing hostilities in the Middle East, including conflict between Israel and Iran, has introduced, and may continue to introduce, substantial uncertainty into global energy supply, oil and gas commodity prices and climate policies. Sanctions imposed by the United States and Europe against Russia and Russian entities in connection with the conflict in Ukraine have adversely affected, and may continue to adversely affect, global trade, oil and gas supplies and commodity prices, contributing to sustained inflationary pressure across energy and supply chain markets. In particular, these developments have resulted in substantial volatility in the price of gas feedstocks, which may increase HKCG's operating costs and contribute to broader inflationary pressures affecting the Group's supply chain and cost base. There can be no assurance that an escalation of military conflict in the Middle East, Eastern Europe or other regions will not have a further detrimental effect on the global financial system and on the availability and cost of energy supplies.

Ongoing trade frictions, including between the United States and China, have also created uncertainty in the global economy and financial markets. Although the United States and China reached an agreement in May 2025 to reduce tariffs as an initial step towards de-escalating their trade disputes, the effect of such agreement remains uncertain, and sustained or escalating tension between the United States and China over trade and technology policies could significantly undermine the stability of the global economy and adversely affect the Group's supply chain, operations and access to international financing.

Global interest rate developments may also affect HKCG's business. The United States Federal Reserve (the "Fed") lowered interest rates by 75 basis points in 2025 and has indicated that the economic outlook remains uncertain, with the Fed attentive to risks in relation to its employment and inflation objectives. The future rate path remains highly uncertain and will depend on developments in the United States labour market and inflation. Any of these global economic, geopolitical or interest rate developments, individually or in combination, could have a material adverse effect on HKCG's business, financial condition and results of operations.

HKCG is subject to risks arising from the economic, political, regulatory and social conditions in Hong Kong, including the risk of economic downturns and civil unrest.

HKCG generates substantial revenues in Hong Kong, and its performance and the quality and growth of its assets are necessarily dependent on the overall Hong Kong economy. Hong Kong's real GDP increased by 3.5 per cent. year-on-year in 2025 and by 2.6 per cent. year-on-year in 2024. However, the global economic downturn and ongoing adjustments in the Chinese mainland real estate market have presented challenges to the business, even as HKCG has continued to invest in gas infrastructure to support the HKSAR Government's Northern Metropolis development plans. HKCG expects the continued growth of the Hong Kong economy to depend in part upon the economic performance of the United States, the European Union and the PRC, as well as certain other developed countries, and there can be no assurance that future global events will not have an adverse effect on the Hong Kong economy and HKCG's business.

In addition, Hong Kong is a special administrative region of the PRC with its own government and legislature. The Joint Declaration between the Chinese and British governments and the Basic Law provide that Hong Kong will have a high degree of legislative, judicial and economic autonomy, that the socialist system and policies of the PRC will not be practised in Hong Kong, and that Hong Kong's capitalist system and way of life shall remain unchanged for 50 years. Since 1 July 1997, when the PRC resumed the exercise of sovereignty over Hong Kong, Hong Kong has enjoyed autonomy. However, if there were any change in the political or legal environment or social cohesion in Hong Kong, HKCG's business and financial condition could be adversely affected. Furthermore, civil unrest, protests, demonstrations or rioting causing mass disruption to businesses and transportation may also affect HKCG's operations and could adversely affect its business, financial condition and results of operations.

HKCG is dependent on the political, economic, regulatory and social conditions in the PRC.

HKCG plans to continue to develop its business and operations in the PRC in the future. Accordingly, HKCG's performance and the quality and growth of its assets are necessarily dependent on the overall economy in the PRC. The general economic, political, legal and social conditions prevailing in the PRC will directly and indirectly affect HKCG's financial performance and operations. Particularly, any changes in the policies implemented by the government in the PRC which result in currency and interest rate fluctuations, capital restrictions, regulation of the energy and water industry and changes in duties and taxes detrimental to HKCG's business may materially adversely affect its operations, financial performance and future growth.

The economy of the PRC differs from the economies of most developed countries in many respects, including the:

- level of government involvement;
- level of development;
- growth rate;
- level of capital reinvestment;
- control of capital reinvestment;

- control of foreign exchange; and
- allocation of resources.

Before its adoption of reform and open-door policies in 1978, the PRC was primarily a planned economy. Since then, the PRC government has been reforming the PRC's economic system and has in recent years also begun reforming the government structure. These reforms have resulted in significant economic growth and social progress. Although the PRC government still owns a significant portion of the productive assets in the PRC, economic reform policies since the late 1970s have emphasised autonomous enterprises and the utilisation of market mechanisms. While HKCG believes these reforms will have a positive effect on its overall and long-term development, there is no assurance that such policies will continue to prevail in the future. Economic reform policies may be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country. As a result, HKCG may not continue to benefit from all, or any, of these policies. HKCG cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any material adverse effect on its business, sales, operating results and financial condition.

The economy of the PRC experienced rapid growth over the past 30 years. There has been a slowdown in the growth of the PRC's GDP since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable.

The future performance of the PRC's economy is not only affected by the economic and monetary policies of the PRC government, but has been, and in the future will continue to be, materially affected by geo-political, economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodities prices, investor sentiment, inflation, and the availability and cost of capital and credit.

According to the International Monetary Fund, the global economy showed resilience in 2025 with a growth of 3.3 per cent., and a growth of 3.0 per cent. projected for 2026. Positive factors underpinning this outlook include surging investment in artificial intelligence and broadly accommodative global financial conditions. Notwithstanding this resilience, there are a number of significant uncertainties ahead. Escalating trade frictions and geopolitical tensions, including the ongoing trade and technology disputes between the United States and the PRC, have contributed to increased market volatility, weakened business and consumer confidence and diminished expectations for economic growth around the world. Although the United States and the PRC reached an agreement in May 2025 to reduce tariffs as an initial step towards de-escalating their trade disputes, the effect of such agreement remains uncertain, and further deterioration in trade relations or an escalation of geopolitical tensions could have a significant negative impact on international markets and global growth.

The implications for the world and HKCG are significant. First, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia. Second, ongoing geopolitical tensions and the uncertain trajectory of United States fiscal and monetary policies may lead to more volatile global capital flows, which could in turn impact global growth prospects. Third, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on HKCG's businesses, financial condition and results of operations.

Economic growth in the PRC has also historically been accompanied by periods of high inflation. Increasing inflation rates were caused by many factors beyond HKCG's control, such as rising production and labour costs, high lending levels, changes in national and international governmental policies and regulations as well as movements in exchange rates and interest rates. It is impossible to accurately predict future inflationary trends. Further inflationary pressures within the PRC may have a material adverse effect on the HKCG's businesses, financial condition or results of operations.

Recently, concerns have arisen over deflationary pressures in the PRC as a result of weak domestic demand and a slowing economy. Inflation rates within the PRC have been on a downward trend in recent years. A prolonged period of deflation may result in falling profits, closure of plants and shrinking employment and incomes by companies and individuals, any of which could adversely affect HKCG's businesses, financial condition or results of operations.

Introduction of new laws or changes to existing laws by the PRC government may adversely affect HKCG's business.

HKCG's business and operations in the PRC and the business and operations of its customers and suppliers in the PRC are subject to the laws and regulations promulgated by the PRC government. The PRC legal system is a codified legal system made up of written laws, regulations, circulars, administrative directives and internal guidelines as well as judicial interpretations. Unlike common law jurisdictions such as Hong Kong, decided cases do not form part of the legal structure of the PRC and thus have no binding effect. As such, the administration of PRC laws and regulations may be subject to a certain degree of discretion by the authorities. This has resulted in the outcome of dispute resolutions not having the level of consistency or predictability as in other countries with more developed legal systems. Due to such inconsistency and unpredictability, if HKCG should be involved in any legal dispute in the PRC, it may experience difficulties in obtaining legal redress or in enforcing its legal rights. For example, on 5 January 2023, the NDRC issued the "Administrative Measures for the Examination and Registration of Medium- and Long-term Foreign Debts of Enterprises" (《企業中長期外債審核登記管理辦法》) (the "NDRC Measures"), which took effect on 10 February 2023, requiring when enterprises domiciled within PRC and their controlled overseas subsidiaries or branches to issue foreign debts instruments with a maturity of more than one year, the PRC enterprises shall obtain an NDRC examination and registration certificate before borrowing the medium or long-term foreign debt to which the NDRC Measures apply and to complete the prescribed post-issue and continuing registration. The NDRC Measures also apply to indirect offshore borrowings by enterprises whose principal business activities are conducted in the PRC, where offshore borrowing is undertaken in the name of an overseas-incorporated enterprise based on the equity, assets, earnings or other similar interests of PRC enterprises. While HKCG believes that the NDRC Measures do not apply to the issuance of the Notes, there remains uncertainties over the interpretation, implementation and enforcement of the NDRC Measures. If there is any change in the interpretation and implementation of the NDRC Measures and HKCG fails to complete such examination, registration or reporting in accordance with the relevant requirements, it may be subject to penalties or other enforcement actions by relevant PRC government authorities. In addition, the NDRC may also make oral amendments or modifications to the requirements of, and certificates or approvals issued under, the NDRC Measures on a case by case basis. Furthermore, any change in the political and economic policy of the PRC government may also lead to similar changes in the laws and regulations or the interpretation thereof. Such changes may adversely affect HKCG's operations and business in the PRC.

From time to time, changes in law and regulations (such as establishment of the Counter-Terrorism law, Cybersecurity law, carbon trading platform, gas price and city-gas connection fee reform, reinforcement of Anti-Monopoly law) or the implementation thereof may also require HKCG to obtain additional approvals and licences from the PRC authorities for the conduct of its operations in the PRC. In such event, HKCG may need to incur additional expenses to comply with such requirements. This will in turn affect HKCG's financial performance as its business costs will increase. Furthermore, there can be no assurance that such approvals or licences will be granted to HKCG promptly or at all. If HKCG experiences delay in obtaining, or inability to obtain, such required approvals or licences, its operations and business in the PRC, and hence its overall financial performance will be adversely affected.

In the PRC, gas distribution companies which invest in and operate the piped city-gas supply business in urban areas are under the supervision of a number of government ministries and departments, including the MOFCOM, the NDRC, the Ministry of Construction (原建設部) (the "MOC", which has been superseded by the Ministry of Housing and Urban-Rural Development or the "MOHURD"), the Ministry of Human Resources and Social Security and the Ministry of Public Security. Companies

conducting business in the coal industry in the PRC are also subject to extensive regulations and under the supervision of relevant PRC regulatory authorities, principally including the NDRC, the Ministry of Natural Resources, National Mine Safety Administration, the Ministry of Emergency Management, and the Ministry of Ecology and Environment. HKCG must comply with the relevant requirements of certain regulations, including without limitation the “Regulations on the Administration of Urban Gas”(《城鎮燃氣管理條例》) or the “Urban Gas Regulations”), the “Coal Industry Law of the PRC”(《中華人民共和國煤炭法》), the “Work Safety Law of the PRC”(《中華人民共和國安全生產法》), and the “Mine Safety Law of the PRC”(《中華人民共和國礦山安全法》). In addition, HKCG must comply with the relevant requirements and policies of local authorities where HKCG’s projects are situated. For example, any proposed increase in gas usage charges levied by HKCG exceeding the original approved charge requires the consent of the local pricing bureau. There is no assurance that any increases will be approved.

Exclusive rights or rights of first refusal to provide piped city-gas are granted by local governments pursuant to policies of promoting environmental protection and encouraging the use of natural gas and the construction of natural gas supply facilities. There can be no assurance that the above regulatory regime and policies (including the granting of exclusive rights or rights of first refusal to supply piped city-gas in operational locations) will not be changed. HKCG’s operations and profitability may be materially adversely affected if changes that occur are not favourable to HKCG.

The Group is subject to restrictions on remittance of RMB into and out of the PRC and governmental controls on currency conversion and may be affected by the risks relating to fluctuations in exchange rates in the future which could materially affect the Group’s financial condition and the results of its operations.

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and the remittance of currency out of the PRC. The Notes may be denominated in US dollars or other currencies, while a substantial part of the Group’s revenue is generated by its PRC operating subsidiaries and is denominated in Renminbi, a portion of which may need to be converted into other currencies in order to meet the Group’s foreign currency obligations, such as payments of dividends, overseas acquisitions, and payments of principal and interests under the Notes or other foreign currency denominated debt, if any.

Under existing PRC laws and regulations on foreign exchange, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from State Administration of Foreign Exchange (“SAFE”) provided that certain procedural requirements are complied with. Approval from, or registration with, competent government authorities is required where Renminbi is to be converted into foreign currency and remitted out of the PRC to pay capital expenses such as the repayment of loans denominated in foreign currencies. More restrictions and extensive vetting processes have been put in place by SAFE to regulate cross-border transactions under the capital account, such as the Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving Authenticity and Compliance Review (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知). The PRC government may, at its discretion, take measures to restrict access to foreign currencies for current account and capital account transactions under certain circumstances. If the foreign exchange control system prevents the Group from obtaining sufficient foreign currencies to satisfy the Group’s foreign currency demands, the Group may not be able to make interest payments and/or principal repayment to the Noteholders or holders of other foreign currency denominated debt, if any. In addition, there can be no assurance that new laws or regulations will not be promulgated in the future that would have the effect of further restricting the remittance of Renminbi into or out of the PRC.

The value of Renminbi against the U.S. dollar and other foreign currencies is subject to changes in the PRC’s policies, as well as international economic and political developments. Pursuant to reforms of the exchange rate system, the daily trading price of Renminbi against U.S. dollar in the inter-bank spot

-foreign exchange market may fluctuate within a band of 2.0 per cent. above or below the central parity rate. The PRC operates a managed floating exchange-rate regime based on market supply and demand and with reference to a basket of foreign currencies, effective from 17 March 2014. In August 2015, the People's Bank of China ("PBOC") changed the way it calculates the mid-point price of Renminbi against the US dollar, requiring the market-makers who submit for the PBOC's reference rates to consider the previous day's closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. This change, and other changes such as widening the trading band that may be implemented, may increase volatility in the value of the Renminbi against foreign currencies. On 11 December 2015, the China Foreign Exchange Trade System ("CFETS"), a sub-institutional organisation of PBOC, published the CFETS Renminbi exchange rate index for the first time which weighs Renminbi against 24 currencies, to guide the market in order to measure the Renminbi exchange rate from a new perspective. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future. If such reforms were implemented and resulted in devaluation of the Renminbi against the US dollar, the Group's financial condition and results of operations could be adversely affected because of its US dollar denominated indebtedness and other obligations. Such devaluation could also adversely affect the value, translated or converted into US dollars or otherwise, of the Group's earnings and its ability to satisfy its obligations under the Notes.

Further to the PBOC's adjustment in August 2015, the value of Renminbi depreciated significantly against the U.S. dollar. In January and February 2016, Renminbi experienced further fluctuation in value against the U.S. dollar. There can be no assurance that Renminbi will not experience significant depreciation or appreciation against the U.S. dollar or against any other currency in the future. There remains significant international pressure on the PRC government to adopt more flexible currency policies. In the event of material fluctuations in the exchange rates of the U.S. dollar against Renminbi, the Group's ability to pay its obligations in foreign currencies may be materially and adversely affected. Such fluctuations may also cause the Group to incur foreign exchange losses and affect the relative value of any dividends distributed by its PRC subsidiaries. In addition, appreciation or depreciation in the value of Renminbi relative to the U.S. dollar may affect the Group's financial results in U.S. dollars without giving effect to any underlying change in its businesses or results of operations.

The Issuer or HKCG may be treated as a PRC resident enterprise for PRC tax purposes, which could result in unfavourable tax consequences to its financial condition and the Noteholders.

Under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》)(the "EIT Law") and its implementation rules (《中華人民共和國企業所得稅法實施條例》), which both took effect on 1 January 2008, enterprises established outside the PRC whose "de facto management bodies" are located in China are considered "resident enterprises" for PRC tax purposes. The implementation rules define the term "de facto management body" as a management body that exercises full and substantial control and management over the business, personnel, accounts and properties of an enterprise. In April 2009, the State Taxation Administration specified certain criteria for the determination of the "de facto management bodies" for foreign enterprises that are controlled by PRC enterprises. However, there have been no official implementation rules regarding the determination of the "de facto management bodies" for foreign enterprises that are controlled by individuals or foreign enterprises (including companies such as the Issuer and HKCG).

Although it is uncertain under PRC tax law whether the Issuer or HKCG has a "de facto management body" located in China for PRC tax purposes, the Issuer and HKCG take the position that they are not a PRC resident enterprise for tax purposes. The Issuer and HKCG cannot assure you that the PRC tax authorities will agree with this position. If the Issuer or HKCG is deemed to be a PRC resident enterprise for PRC tax purposes, it would be subject to the PRC enterprise income tax at the rate of 25 per cent. on its worldwide income. Furthermore, if the Issuer is deemed to be a PRC resident enterprise for PRC tax purposes, the Issuer would be obligated to withhold PRC income tax of up to 10 per cent. on the payments on the Notes to investors that are non-PRC resident enterprises (or 20 per cent. in the case of individuals), if such payments are regarded as being derived from sources within the PRC. In addition, if the Issuer or HKCG fails to do so, it may be subject to fines and other penalties. Similarly,

any gain realised by such non-PRC resident enterprise investors from the transfer of the Notes may be regarded as being derived from sources within the PRC and would accordingly be subject to a 10 per cent. PRC withholding tax (or 20 per cent. in the case of individuals).

If the Issuer or HKCG is required under the EIT Law to withhold PRC income tax on interest paid to Noteholders who are “non-resident enterprises,” it will be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by a Noteholder of such amounts as would have been received by the Noteholder 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 a material adverse effect on the Issuer’s and HKCG’s ability to pay interest on, and repay the principal amount of, the Notes, as well as their profitability and cash flow.

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

The Terms and Conditions of the Notes and the transaction documents are governed by English law and the Issuer and HKCG has submitted to the exclusive jurisdiction of the English courts. Although the Issuer and the Guarantor are incorporated in Hong Kong and there are legislated circumstances in which the Hong Kong courts will recognise foreign judgments from the English courts, many of the Group’s entities are incorporated in the PRC and a substantial amount of the Group’s assets and companies are located in the PRC. Therefore, investors may encounter difficulties in effecting service of process from outside PRC upon the Group or its management.

Moreover, it is understood that the enforcement of foreign judgments in the PRC is still subject to uncertainties. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgements of courts with the United States, the United Kingdom, Japan or most other western countries. In the absence of an applicable treaty, a PRC court may nevertheless recognise and enforce a foreign judgment on the basis of reciprocity under the Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》), subject to applicable statutory requirements and refusal grounds. Therefore, it may be difficult for investors to effect service of process upon the Group in the PRC or enforce against the Group in the PRC any judgements obtained from non-PRC courts.

Any occurrence of force majeure events, natural disasters, communicable diseases or other adverse incidents in the PRC may materially and adversely affect the Group’s businesses, financial condition and results of operations.

Any future occurrence of force majeure events or natural disasters may materially and adversely affect the Group’s businesses and results of operations. The PRC has experienced natural disasters such as earthquakes, fires, floods and droughts in the past few years. As the Group’s businesses are dependent on economic conditions in the PRC as a whole, any future occurrence of severe natural disasters in the PRC may adversely affect its economy and, in turn, the Group’s businesses and results of operations. There is no assurance that any future occurrence of natural disasters or the measures taken by the PRC government or other countries in response to such events will not seriously disrupt the Group’s operations or those of the Group’s business partners or prospective investors in the Group, which may have a material adverse effect on the Group’s results of operations. Furthermore, increasingly frequent and severe weather events attributable to climate change, including typhoons, floods, droughts, extreme temperatures and landslide could damage or disrupt the Group’s gas production, distribution and pipeline infrastructure, water treatment facilities and renewable energy assets, give rise to significant safety incidents, environmental liabilities and remediation costs, and otherwise have a material adverse effect on the Group’s business, financial condition and results of operations.

In addition, the occurrence of a communicable disease, epidemic or pandemic, for example the COVID-19 pandemic, whether in Hong Kong, the PRC or globally, could result in significant disruption to the Group’s operations, supply chains and workforce, adversely affect the economies and financial markets

of the jurisdictions in which the Group operates, and impair the Group's ability to access capital and credit markets on acceptable terms, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's labour costs may increase for various reasons including the implementation of the PRC Labour Contract Law or inflation in the PRC.

The PRC Labour Contract Law (中華人民共和國勞動合同法) became effective on 1 January 2008 in the PRC and was amended on 28 December 2012 and became effective on 1 July 2013. It imposes more stringent requirements on employers in relation to entry into fixed-term employment contracts and dismissal of employees. Pursuant to the PRC Labour Contract Law, the employer is required to make a compensation payment to a fixed-term contract employee when the term of their employment contract expires, unless the employee does not agree to renew the contract even though the conditions offered by the employer for renewal are the same or better than those stipulated in the current employment contract. In general, the amount of compensation payment is equal to the monthly wage of the employee multiplied by the number of full years that the employee has worked for the employer. A minimum wage requirement has also been incorporated into the PRC Labour Contract Law. In addition, unless otherwise prohibited by the PRC Labour Contract Law or objected to by the employees themselves, the employer is also required to enter into non-fixed-term employment contracts with employees who have previously entered into fixed-term employment contracts for two consecutive terms.

In addition, under the Regulations on Paid Annual Leave for Employees (《職工帶薪年休假條例》), which became effective on 1 January 2008, employees who have worked continuously for more than one year are entitled to paid annual leave ranging from 5 to 15 days, depending on the length of the employees' service. Where, due to work needs, the employer is unable to arrange for an employee to take accrued annual leave and, with the employee's consent, does not arrange for such employee to take such annual leave, the employer is generally required to pay remuneration equal to 300 per cent. of the employee's daily wage for each untaken day, including the employee's normal daily- wage. As a result of the "Labour Contract Law of the PRC" (《中華人民共和國勞動合同法》) and the Regulations on Paid Annual Leave for Employees, the Group's labour costs (inclusive of those incurred by contractors) may increase. Further, under the PRC Labour Contract Law, when an employer terminates its PRC employees' employment, the employer may be required to compensate them for such amount which is determined based on their length of service with the employer, and the employer may not be able to efficiently terminate non-fixed-term employment contracts under the PRC Labour Contract Law without cause. In the event the Group decides to significantly change or decrease its workforce, the PRC Labour Contract Law could adversely affect its ability to effect these changes in a cost-effective manner or in the manner that the Group desires, which could result in an adverse impact on the Group's businesses, financial condition and results of operations. In addition, according to the National Bureau of Statistics of the PRC, consumer prices in the PRC increased by 0.2 per cent. in 2024 and remained unchanged in 2025. Inflation in the PRC may increase the costs of labour and the costs of raw materials the Group must purchase for production. Rising labour costs may increase the Group's operating costs and partially erode the cost advantage of the Group's PRC-based operations and therefore negatively impact the Group's profitability.

Factors that may affect the Issuer's ability to fulfil its obligations under the Notes

The Notes will be effectively subordinated to debt of HKCG's subsidiaries as well as its own debt.

In addition to operating itself, HKCG is also a holding company that operates through its subsidiaries and other Group entities. As a result, (i) HKCG's obligations under the Notes will be effectively subordinated to all existing and future obligations of the existing or future Group entities and (ii) all claims of creditors of the existing or future subsidiaries or other Group entities, including trade creditors, lenders and all other creditors, and rights of holders of preferred shares of such entities (if any) will have priority as to the assets of such entities over HKCG's claims and those of its creditors, including the holders of Notes. As at 31 December 2025, HKCG's total borrowings was approximately HK\$59,701 million.

The Issuer is dependent on the business and financial condition of HKCG and its subsidiaries and other Group entities to make payments under the Notes.

The Issuer is a wholly owned subsidiary of HKCG formed for the principal purposes of financing the Group's operations and will on-lend all or part of the proceeds from the issue of the Notes to HKCG and its subsidiaries and other Group entities. The Issuer's ability to make payments under the Notes depends on timely payments under such on-lent loans and the availability of funds from HKCG and its subsidiaries and other Group entities. In the event that HKCG and its subsidiaries or other Group entities do not make such payments due to limitation in such loans or other agreements, lack of available cash flow or other factors, the Issuer's ability to make payments under the Notes could be adversely affected.

The Issuer may be unable to redeem the Notes.

On certain dates, including a Put Event and at maturity of the Notes, the Issuer may, and at maturity, will be required to, redeem all the Notes. If such an event were to occur, the Issuer may not have sufficient cash and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The ability to redeem the Notes in such event may also be limited by the terms of other debt instruments. Failure to repay, or redeem tendered Notes by the Issuer would constitute an event of default, which may also constitute a default under the terms of other indebtedness of HKCG.

Considerations which are material for the purpose of assessing the market risks associated with the Notes issued under the Programme

Notes may not be a suitable investment for all investors.

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

- (i) 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 in this Offering Circular or any applicable supplement;
- (ii) 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;
- (iii) 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;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) 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.

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 their 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.

The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”.

Interest rates and indices which are deemed to be or used as “benchmarks”, (including various interbank offered rate system (“IBORs”), the euro interbank offered rate (“EURIBOR”) and the Hong Kong interbank offered rate (“HIBOR”)) are the subject of national and international regulatory guidance and reforms aimed at increasing the resilience of IBORs and/or supporting the transition to more robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from the London interbank offered rate (“LIBOR”)), and “benchmarks” remain subject to ongoing monitoring. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

Regulation (EU) 2016/1011 (as amended) (the “EU Benchmarks Regulation”) applies, subject to certain transitional provisions, to the provision of in-scope benchmarks, the contribution of input data to an in-scope benchmark and the use of an in-scope benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of in-scope benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “UK Benchmarks Regulation”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark which is in-scope of one or both regulations, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, 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 following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a benchmark.

With respect to Floating Rate Notes where the Reference Rate is an IBOR or other risk-free rate (“RFR”) (other than secured overnight financing rate (“SOFR”)), the Terms and Conditions of the Notes provide for certain fallback arrangements in the event that any page on which such benchmark may be published (or any other successor service) becomes unavailable or a Benchmark Event (as defined in Condition 5.2(g) of the Terms and Conditions of the Notes) otherwise occurs. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Reference Rate (both as defined in the Terms and Conditions of the Notes), with or without the application of an adjustment spread and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the successor or replacement benchmark, all as determined by an Independent Adviser (as defined in the Terms and Conditions of the Notes) (acting in good faith as an expert and in consultation with the Issuer). An adjustment spread, if applied could be

positive or negative and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. However, it may not be possible to determine or apply an adjustment spread and even if an adjustment is applied, such adjustment spread may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment spread can be determined, a Successor Rate or Alternative Reference Rate may nonetheless be used to determine the Rate of Interest. The use of a Successor Rate or Alternative Reference Rate (including with the application of an adjustment spread) will still result in any Notes linked to or referencing a Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the relevant benchmark were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This 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. Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The use of SOFR as a reference rate is subject to important limitations.

The rate of interest on the Floating Rate Notes may be calculated on the basis of SOFR (as further described under Condition 5.2(b)(C)).

In June 2017, the New York Federal Reserve's Alternative Reference Rates Committee (the "ARRC") announced SOFR as its recommended alternative to U.S. dollar LIBOR. However, the composition and characteristics of SOFR are not the same as those of LIBOR. SOFR is a broad U.S. Treasury repo-financing rate that represents overnight secured funding transactions. This means that SOFR is fundamentally different from LIBOR for two key reasons. First, SOFR is a secured rate, while LIBOR is an unsecured rate. Second, SOFR is an overnight rate, while LIBOR represents interbank funding over different maturities. As a result, there can be no assurance that SOFR will perform in the same way as LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global or regional economic, financial, political, or regulatory events. For example, since publication of SOFR began in April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or other market rates.

As SOFR is an overnight funding rate, interest on SOFR-based Notes with interest periods longer than overnight will be calculated on the basis of either the arithmetic mean of SOFR over the relevant interest period or compounding SOFR during the relevant interest period. As a consequence of this calculation method, the amount of interest payable on each interest payment date will only be known a short period of time prior to the relevant interest payment date. Noteholders therefore will not know in advance the interest amount which will be payable on such Notes.

Although the Federal Reserve Bank of New York has published historical indicative SOFR information going back to 2014, such prepublication of historical data inherently involves assumptions, estimates and approximations. Noteholders should not rely on any historical changes or trends in the SOFR as an indicator of future changes in the SOFR.

The Federal Reserve Bank of New York notes on its publication page for SOFR that use of the SOFR is subject to important limitations and disclaimers, including that the Federal Reserve Bank of New York may alter the methods of calculation, publication schedule, rate revision practices or availability of the SOFR at any time without notice. In addition, SOFR is published by the Federal Reserve Bank of New York based on data received from other sources. The Issuer has no control over its determination, calculation or publication. There can be no guarantee that the SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of the Noteholders. If the manner in which the SOFR is calculated is changed or if SOFR is discontinued, that change or discontinuance may result in a reduction or elimination of the amount of interest payable on the Notes and a reduction in the trading prices of the Notes which would negatively impact the Noteholders who could lose part of their investment.

The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event with respect to SOFR occurs, which is based on the ARRC recommended language. There is however no guarantee that the fallback arrangements will operate as intended at the relevant time or operate on terms commercially acceptable to all Noteholders. Any of the fallbacks may result in interest payments that are lower than, or do not otherwise correlate over time with, the payments that would have been made on the Notes if SOFR had been provided by the Federal Reserve Bank of New York in its current form. Investors should consult their own independent advisers and make their own assessment about the potential risks in making any investment decision with respect to any Notes linked to SOFR.

The market continues to develop in relation to SOFR as a reference rate for Floating Rate Notes.

Investors should be aware that the market continues to develop in relation to SOFR as a reference in the capital markets and its adoption as an alternative to U.S. dollar LIBOR. Market participants and relevant working groups are exploring alternative reference rates based on SOFR (which seek to measure the market's forward expectation of a SOFR rate over a designated term). The market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Terms and Conditions of the Notes. In addition, the manner of adoption or application of SOFR in the bond markets may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR 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 SOFR. In addition, the development of SOFR as an interest reference rate for the bond markets, as well as continued development of SOFR-based rates, indices and averages for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of Notes referencing SOFR. Similarly, if SOFR does not prove widely used in securities such as the Notes referencing SOFR, investors may not be able to sell such Notes referencing SOFR at all or the trading price of the Notes referencing SOFR may be lower than those of bonds linked to indices that are more widely used.

The use of SOFR as a reference rate for bonds is nascent, and may be subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates. Notes referencing SOFR may have no established trading market when issued, and an established trading market may never develop or may not be very liquid which, in turn, may reduce the trading price of such Notes or mean that investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Investors should consider these matters when making their investment decision with respect to Notes referencing SOFR.

Investment in Notes may be subject to PRC tax.

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 jurisdictions. The value of the Noteholder's investment in the Notes may be materially and adversely affected if the Noteholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Notes.

Risks relating to Renminbi-denominated Notes

Notes denominated in Renminbi (“**Renminbi Notes**”) may be issued under the Programme. Renminbi Notes contain particular risks for potential investors.

Renminbi is not freely convertible and there are restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Notes.

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite significant reduction in control by it in recent years over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. However, remittance of Renminbi into and out of the PRC for settlement of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from or completing specific registrations or filing with the relevant authorities on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being adjusted from time to time to match the policies of the PRC government.

Although the Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund in 2016, and the People's Bank of China (the “PBOC”) and the Ministry of Commerce of the PRC have implemented policies for further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies, there is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC 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 any regulatory restrictions inhibit the ability of the Issuer or the Guarantor to repatriate funds outside the PRC to meet its obligations under the Renminbi Notes, the Issuer or the Guarantor will need to source Renminbi offshore to finance such obligations under the relevant Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

In addition, holders of beneficial interests in Renminbi Notes may be required to provide certifications and other information (including Renminbi account information) in order to allow such holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

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

As a result of the restrictions imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBOC has entered into agreements on the clearing of Renminbi business with financial institutions (each, a “Renminbi Clearing Bank”) in a number of financial centres and cities, including but not limited to Hong Kong, London, Frankfurt and Singapore, has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the “Settlement Arrangements”), the current size of Renminbi-denominated financial assets outside the PRC remains limited.

There are restrictions imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC, although the PBOC has gradually allowed participating banks to access the PRC's onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited access to onshore liquidity support from the PBOC to square open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, where the participating banks cannot source sufficient Renminbi through the above channels, the participating banks will need to source Renminbi from the offshore market to square such open positions.

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 Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent the Issuer or the Guarantor is required to source Renminbi outside the PRC to service the Renminbi Notes, there is no assurance that the Issuer or the Guarantor will be able to source such Renminbi on satisfactory terms, if at all.

Remittance of proceeds into or outside of the PRC in Renminbi may be difficult.

In the event that the Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there can be no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

In the event that the Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Issuer or the Guarantor subsequently is not able to repatriate funds outside the PRC in Renminbi, the Issuer or the Guarantor will need to source Renminbi outside the PRC to finance its respective obligations under the Renminbi Notes, and their ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Investment in the Renminbi Notes is subject to exchange rate risks.

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as other factors. The Issuer and the Guarantor will make all payments of interest and principal with respect to the Renminbi Notes in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the Renminbi Notes entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of Renminbi against such currency could cause a decrease in the effective yield of the Renminbi Notes below their stated coupon rates and could result in a loss when the return on the Renminbi Notes is translated into such currency. Accordingly, the value of the investment made by a holder of the Renminbi Notes in that foreign currency will decline.

Payments with respect to the Renminbi Notes may be made only in the manner designated in the Renminbi Notes.

All payments to investors in respect of the Renminbi Notes will be made solely (i) for so long as the Renminbi Notes are represented by global certificates or global notes held with the common depositary for Euroclear and Clearstream or any alternative clearing system, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong in accordance with prevailing

Euroclear and Clearstream rules and procedures or those of such alternative clearing system, (ii) for so long as the Renminbi Notes are represented by global certificates lodged with a sub-custodian for the Hong Kong Monetary Authority as operator of the CMU, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong in accordance with prevailing CMU rules and procedures or (iii) for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong in accordance with prevailing rules and regulations. Neither the Issuer nor the Guarantor is required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft, or by transfer to a bank account in the PRC).

There may be PRC tax consequences with respect to investment in the Renminbi Notes

In considering whether to invest in the Renminbi Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situation as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the holder's investment in the Renminbi Notes may be materially and adversely affected if the holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Renminbi Notes.

Investment in the Renminbi Notes is subject to interest rate risks

The value of Renminbi payments under Renminbi Notes may be susceptible to interest rate fluctuations occurring within and outside the PRC, including PRC Renminbi repo rates and/or the Shanghai inter-bank offered rate. The PRC government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions.

The Renminbi Notes may carry a fixed interest rate. Consequently, the trading price of such Renminbi Notes will vary with the fluctuations in the Renminbi interest rates. If holders of Renminbi Notes propose to sell their Renminbi Notes before their maturity, they may receive an offer lower than the amount they have invested.

Risks related 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.

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 also may 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 those 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.

Index Linked Notes and Dual Currency Notes.

The Issuer may issue Notes with principal or interest payable in respect of the Notes being 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”). In addition, 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:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) the effect of any multiplier or leverage factor that is applied to the Relevant Factor is that the impact of any changes in the Relevant Factor on the amounts of principal or interest payable will be magnified; and
- (vii) 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.

Partly-paid Notes.

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.

Variable rate Notes with a multiplier or other leverage factor.

Notes with variable interest rates can be volatile investments. 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.

Inverse Floating Rate Notes.

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. The market values of such Notes typically are 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.

Fixed/Floating Rate Notes.

Fixed/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/Floating Rate Notes may be less favourable than 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 then prevailing rates on its Notes.

Notes issued at a substantial discount or premium.

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.

Risks related to Notes generally***Modification and waivers.***

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

Change of law.

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Notes where denominations involve integral multiples: definitive Notes.

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

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If the Issuer does not satisfy the Issuer's obligations under the Notes, Noteholders' remedies will be limited.

Payment of principal of the Notes may be accelerated only in the event of certain events involving the Issuer's bankruptcy, winding-up or dissolution or similar events or otherwise if certain conditions have been satisfied. See "*Terms and Conditions of the Notes – Events of Default*".

The Notes are subject to restrictions on resales and transfers.

The Notes and the Guarantees have not been and will not be registered under the Securities Act or any state securities laws, and the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes may be offered and sold only pursuant to offers and sales that occur outside the United States (and, in respect of any offering under Category 2 of Regulation S, not to, or for the account or benefit of, U.S. persons) in compliance with Regulation S.

Risks related 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 secondary market generally.

Notes issued under the Programme will be new securities which may not be widely distributed and Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or 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 a severely adverse effect on the market value of Notes. In addition, should the Issuer and/or the Guarantor be in financial distress, this is likely to have a further significant impact on the secondary market for the Notes and investors may have to sell their Notes at a substantial discount to their principal amount.

Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Notes and HKCG will make payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks.

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

Credit ratings may not reflect all risks.

Each Tranche of Notes may be rated or unrated, as specified in the applicable Pricing Supplement. The rating represents the opinion of the relevant rating agency and its assessment of the ability of the Issuer and HKCG to perform their respective obligations under the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to

buy, sell or hold securities. The rating can be revised, suspended or withdrawn at any time. Neither the Issuer nor HKCG is obligated to inform holders of the Notes if a rating is revised, suspended or withdrawn. A revision, suspension or withdrawal of a rating may adversely affect the market price of the Notes.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any 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.

CAPITALISATION AND INDEBTEDNESS OF THE GUARANTOR

The following table sets out HKCG's consolidated capitalisation as derived from its unaudited financial statements as at 30 June 2026:

	As at 30 June 2026	
	Actual	Actual ⁽⁴⁾
	HK\$	U.S.\$
	<i>(in millions)</i>	
Current liabilities:		
Borrowings ⁽²⁾	16,669.8	2,137.2
Non-Current liabilities:		
Borrowings ⁽²⁾	45,856.5	5,879.0
Shareholders' funds ⁽¹⁾	60,158.4	7,712.6
Capitalisation ⁽³⁾	<u>106,014.9</u>	<u>13,591.6</u>

Notes:

- (1) Directors of HKCG declared an interim dividend of HK\$0.12 per ordinary share for the six months ended 30 June 2026, and the interim dividend of HK\$2,239.2 million was included in the shareholders' funds for the six months ended 30 June 2026.
- (2) All HKCG's borrowings were unsecured.
- (3) Total capitalisation includes borrowings in non-current liabilities and shareholders' funds.
- (4) HKCG maintains its accounts in Hong Kong dollars. The financial information stated above has been translated into U.S. dollars at the exchange rate of HK\$7.80 to U.S.\$1.00.

Except as disclosed above, there has been no material change in HKCG's consolidated capitalisation and indebtedness since 30 June 2026. HKCG usually pays dividends twice annually. For the six months ended 30 June 2026, HKCG paid interim dividends of HK\$2,239.2 million at HK\$0.12 per ordinary share.

THE HONG KONG AND PRC GAS INDUSTRY

This section provides an overview of the gas industry in Hong Kong and the PRC. The information presented in this section has been extracted from publicly available documents and reports prepared by third parties, which have not been independently verified by the Issuer, HKCG, the Arrangers or any of their affiliates or advisers. It does not consider any other facets of regulation such as Hong Kong company law and taxation law.

Hong Kong Downstream Piped City-Gas Industry

Natural Gas Production and Consumption in Hong Kong

Hong Kong imports natural gas for electricity generation and for use as feedstock in town-gas production. The table below sets out the Census and Statistics Department's ("C&SD") natural gas net-import series. Figures are reported in tonnes and measure imports less re-exports.

Hong Kong Natural Gas Net Imports

Year	2020	2021	2022	2023	2024	2025
Net imports (tonnes)	3,877,847	3,784,682	3,540,787	3,782,483	4,112,503	4,015,895

Source: C&SD, Hong Kong Energy Statistics 2022 Annual Report and 2025 Annual Report, Table 2.1

Gas Supply Situation in Hong Kong

Town gas and LPG are the main types of fuel gas used in Hong Kong for domestic, commercial and industrial purposes. According to The Hong Kong Yearbook 2024, Hong Kong has about 2.3 million gas customers in these sectors.

The Hong Kong Yearbook 2024 states that LPG is imported into Hong Kong mainly by sea and stored at five terminals on Tsing Yi Island before being distributed to customers, including 70 LPG filling stations.

CLP Power and HK Electric import natural gas from the Mainland through submarine pipelines to Black Point Power Station and Lamma Power Station, respectively. Natural gas is also supplied to the Tai Po gas production plant and onward to the Ma Tau Kok plant for town-gas production. The Hong Kong Offshore Liquefied Natural Gas ("LNG") Terminal, located east of the Soko Islands and jointly developed by the two power companies, went into service in July 2023. The terminal receives, stores and regasifies LNG for supply to Black Point Power Station and Lamma Power Station.

Local Gas Demand Situation in Hong Kong

According to C&SD, local consumption of gas by domestic, commercial and industrial users was 27,181 terajoules ("TJ") in 2025, compared with 27,159 TJ in 2024. Domestic users accounted for 54.4 per cent. of local gas consumption in 2025. The table below presents C&SD's local gas-consumption series by type of user.

Hong Kong Local Gas Consumption by Type of User

Year	Domestic (TJ)	Commercial (TJ)	Industrial (TJ)	Total (TJ)
2020.	16,684	9,609	1,653	27,947
2021.	16,015	10,066	1,596	27,677
2022.	15,985	9,709	1,704	27,398
2023.	14,648	10,735	1,743	27,125
2024.	14,437	10,889	1,834	27,159
2025.	14,783	10,854	1,544	27,181

Source: C&SD, Hong Kong Energy Statistics 2022 Annual Report and 2025 Annual Report, Table 5.1.

Key Players in the Hong Kong Downstream Piped City-Gas Sector

At present, there are 26 companies in Hong Kong that have been granted registered gas supply company status by the Hong Kong Gas Authority. Of these 26 companies, ten provide downstream city-gas, including LPG and piped city-gas. These companies include: HKCG, ExxonMobil Hong Kong Limited, Shell Hong Kong Limited, Chevron Hong Kong Limited, Sinopec (Hong Kong) Petroleum Holding Company Limited, Concord Oil (Hong Kong) Limited, Rise Smart Industrial Limited, DSG Energy Limited, IP&E GBA Limited and Wing Mou Oil Company Limited.

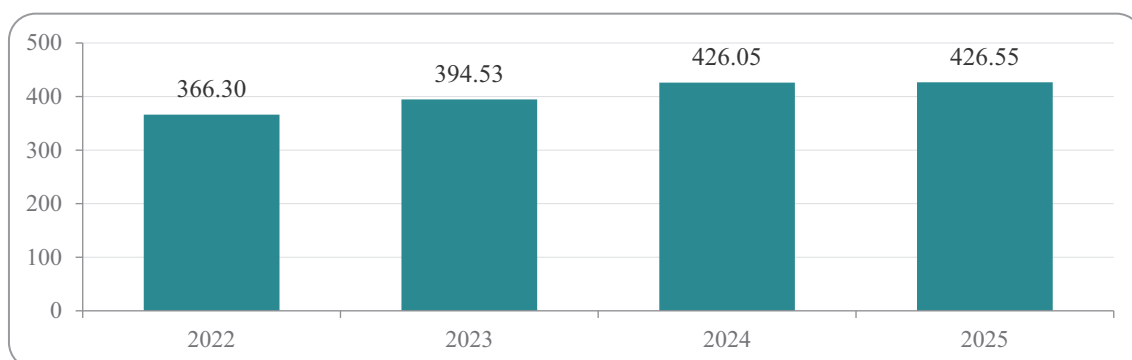
PRC DOWNSTREAM PIPED CITY-GAS INDUSTRY

Natural Gas Production and Consumption in the PRC

On 3 July 2026, the National Development and Reform Commission (“NDRC”) and the National Energy Administration (“NEA”) issued the Oil and Gas Development Fifteenth Five-Year Plan. The issuing notice states that the plan is intended to advance high-quality development and high-level security in the oil and gas industry.

According to NDRC, national natural gas apparent consumption amounted to 426.55 billion cubic metres (“BCM”) in 2025, an increase of 0.1 per cent. from 2024. For the seven months ended 31 July 2026, national natural gas apparent consumption was 242.19 BCM, a decrease of 2.4 per cent. from the corresponding period in 2025.

China Natural Gas Apparent Consumption (Annual, BCM)



Source: NDRC annual natural gas operating releases for 2022-2025

According to the National Bureau of Statistics, natural gas production by industrial enterprises above designated size was 261.9 BCM in 2025, an increase of 6.2 per cent. from 2024.

The majority domestic gas production in China originates from three onshore regions, namely the Sichuan Basin in Southwest China, the Xinjiang Province and Qinghai Province with the Tarim, Junggar, and Qaidam Basins in Northwest China, and the Ordos Basin in Shanxi Province to the North.

Natural Gas Infrastructure in the PRC

According to the China Natural Gas Development Report (2026), China’s natural gas pipeline network reached approximately 134,000 kilometres by the end of 2025. Selected pipeline systems and sections and their published annual transmission capacities are set out below.

Selected PRC Natural Gas Pipeline Systems and Sections

System or section	Coverage or route	Verified milestone or disclosure date	Annual capacity (BCM)
West-to-East IV, Turpan-Zhongwei section	Turpan to Zhongwei	Commissioned 26 June 2025	15.0
China-Russia East route, China section	Heihe to Shanghai	Full route connected 2 December 2024	38.0
Shaan-Jing system	Beijing, Shaanxi and Inner Mongolia among areas served	Operating-system disclosure, 26 February 2026	80.0
China-Central Asia system	Northwestern import corridor	Capacity reported 16 March 2025	55.0
China-Myanmar pipeline	Southwestern import corridor	Design capacity reported 16 March 2025	12.0

Sources: PipeChina project disclosures, PipeChina-hosted CCTV reporting and China Petroleum Daily (CNPC)

PipeChina (國家石油天然氣管網集團有限公司)

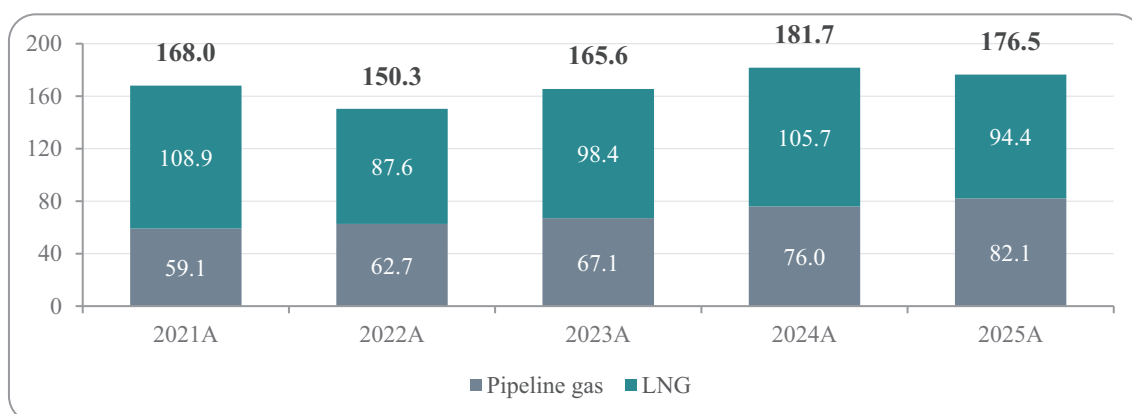
China established China Oil & Gas Pipeline Network Corporation (“PipeChina”), a national pipeline company, in December 2019. PipeChina was created to separate pipeline transportation from upstream production and downstream sales and promote fair access to oil and gas infrastructure in China. Since its incorporation, it has acquired oil and gas pipeline assets from major PRC domestic oil and gas companies. In September 2020, PipeChina acquired the entire equity interest in Sinopec Yu Ji Pipeline Company Limited, which operated the Yulin-Jinan pipeline, from a wholly owned subsidiary of Sinopec Kantons Holding Ltd. (“Sinopec”). In the same month, China National Offshore Oil Corp, PetroChina Company Limited and China Petroleum & Chemical Corporation transferred relevant oil and gas infrastructure (including pipelines) and personnel to PipeChina. Following these transfers, PipeChina assumed integrated operation of the infrastructure.

Natural Gas Import into the PRC

According to the China Natural Gas Development Report (2026), China’s LNG receiving capacity reached 170 million tonnes per annum by the end of 2025.

According to NEA, China imported 176.5 BCM of natural gas in 2025, comprising 82.1 BCM of pipeline gas and 94.4 BCM of LNG.

China Natural Gas Imports by Delivery Mode (Annual actuals, BCM)



Sources by calendar year: NEA 2022 report; NEA 2023 report; NEA 2024 report; NEA 2025 report; NEA 2026 report

DESCRIPTION OF THE ISSUER

The Issuer, a wholly owned subsidiary of HKCG, was incorporated with limited liability under the laws of Hong Kong on 21 November 2005. Its registered office is located at 23rd Floor, 363 Java Road, North Point, Hong Kong. The Issuer, whose primary purpose is to act as a financing subsidiary of HKCG, is a wholly owned subsidiary of HKCG and will utilise the net proceeds of the Notes as set out in “Use of Proceeds”.

The directors of the Issuer are Mr. Peter Wong Wai-yee, Mr. Yeung Lui-ming and Mr. Lawrence Fok Chi-cheong. The below lists the biographical details of the Issuer’s present Directors.

Mr. Peter Wong Wai-yee

CPA (CANADA), CMA, CPA (HK), ACG, HKACG, AdFHKIE, FIGEM, FHKIoD, FHKMA, MBA

Current position

- Director of the Issuer
- Managing Director of HKCG

Qualifications and Education

- Chartered Professional Accountant of Canada
- Certified Public Accountant of Hong Kong
- Chartered Company Secretary and Chartered Governance Professional in Hong Kong and the United Kingdom
- Adjunct Fellow of The Hong Kong Institution of Engineers
- Fellow of The Institution of Gas Engineers and Managers of the United Kingdom
- Fellow of The Hong Kong Institute of Directors
- Professor of Practice of HKMA Institute of Advanced Management Development
- Completed the Advanced Management Program from Harvard Business School in the United States

Other Major Offices

- Member of Board Environmental, Social and Governance Committee of HKCG
- Towngas Smart Energy Company Limited* – Executive Director and Chief Executive Officer
- EcoCeres, Inc. – Director
- Shenzhen Gas Corporation Ltd.* – Vice Chairman
- Foran Energy Group Co., Ltd.* – Vice Chairman

Public Services

- Employers’ Federation of Hong Kong – Council Member
- Hong Kong Trade Development Council Infrastructure Development Advisory Committee – Member

- The Hong Kong Management Association (“HKMA”) Global Centre for ESG Education and Research – Chairman of the Advisory Board
- HKMA – Council Member and Member of Executive Committee

Past Experience

Mr. Wong was named consecutively as one of “The Best CEO of Chinese Listed Companies” by Forbes in 2012 and 2013. He received the inaugural Climate Governance Award in the “Listed Company – Executive Directors” category from The Hong Kong Institute of Directors in 2024. Mr. Wong was a member of the Mainland Business Advisory Committee of the Hong Kong Trade Development Council, a member of the Advisory Committee and External Advisor of the Career Planning and Development Steering Committee of the College of Professional and Continuing Education, The Hong Kong Polytechnic University as well as a Council member of the Vocational Training Council.

Mr. Yeung Lui-ming

FCCA, FCPA

Current position

- Director of the Issuer
- Executive Director and Chief Financial Officer of HKCG

Qualifications and Education

Fellow Member of the Association of Chartered Certified Accountants

- Fellow Member of The Hong Kong Institute of Certified Public Accountants
- Associate of The Taxation Institute of Hong Kong
- Ordinary Member of Hong Kong Securities and Investment Institute
- Graduated from The Hong Kong Polytechnic University

Other Major Offices

- Member of Board Environmental, Social and Governance Committee of HKCG

Past Experience

Mr. Yeung held management positions in financial advisory department of Deloitte China for many years. He served as the National Managing Partner of Financial Advisory of Deloitte China from November 2013 to May 2021 and was appointed as the Vice Chairman of Deloitte China since June 2021. Before Mr. Yeung stepped down from Deloitte China, he led the team in capital market advisory, debt restructuring, fund advisory, forensic accounting investigation, corporate restructuring, etc. and advised corporate clients and investors both on the Chinese mainland and Hong Kong on various investment projects, acquisitions and mergers projects.

Mr. Lawrence Fok Chi-cheong

FCPA, FCPA Australia, CTA (Non-practising), FTIHK, MBA, B.Bus.

Current position

- Director of the Issuer
- Head of Group Finance and Strategy – Mainland Business of HKCG

- Head of Group Treasury of HKCG
- Towngas Smart Energy Company Limited* – Chief Financial Officer

Qualifications and Education

- Fellow Member of Hong Kong Institute of Certified Public Accountants
- Fellow Member of CPA Australia
- Fellow Member of the Taxation Institute of Hong Kong
- Chartered Tax Adviser (Non-practising)
- Master of Business Administration, University of Leicester
- Bachelor of Business, University of Southern Queensland
- Completed Advanced Corporate Management Course of Tsinghua University

Public Services

- Member of Programme Advisory Committee – Chinese Mainland of the Hong Kong Management Association, 2022 to present
- President 2011 of CPA Australia, Greater China Division
- Council member of CPA Australia, Greater China Division 2007 to 2010

Major Responsibilities

Mr. Fok serves Head of Group Finance and Strategy – Mainland Business and Head of Group Treasury of HKCG, and Chief Financial Officer of Towngas Smart Energy Company Limited*.

He has more than 30 years of experience in finance, treasury, taxation, mergers and acquisitions, and corporate governance across Mainland China and Hong Kong. He oversees the finance, treasury, and strategic planning functions of HKCG's Mainland businesses, covering city gas, water and environmental services, renewable energy, and other growth ventures. Mr. Fok also leads the Group's funding, liquidity, capital management, and financial risk oversight activities.

In addition, Mr. Fok serves as a director of several strategic project companies in China, where he provides board-level oversight on business strategy, governance, risk management, and operational performance. Acting on behalf of shareholders, he promotes strong corporate governance, regulatory compliance, management accountability, and sustainable value creation.

Past Experience

Mr. Fok joined Towngas in 2003 and initially led the finance function for the Group's Mainland China gas business. He was subsequently appointed Senior Vice President – Finance of Towngas China Company Limited*, now known as Towngas Smart Energy Company Limited, with overall responsibility for the finance and treasury functions of the Group's Mainland operations, encompassing city gas and water utilities, renewable energy, and other extended businesses.

Throughout his tenure, Mr. Fok has served as a director of numerous gas and water project companies across China, including several major utility companies in provincial capital cities. He has also held key governance positions, including Director of Anhui Provincial Natural Gas Development Co., Ltd.*, Chairman of the Supervisory Board of Chengdu Gas Group Co., Ltd.*, and member of the Supervisory

Board of Shenzhen Gas Corporation Ltd.*. In these capacities, he has represented shareholder interests by providing strategic guidance, overseeing corporate governance and management performance, and ensuring accountability, regulatory compliance, and sustainable business growth.

The Issuer does not have any employees or subsidiaries.

The issued share capital of the Issuer is HK\$100, divided into 100 ordinary shares. No part of the equity securities of the Issuer is listed or dealt on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought.

* Listed company

DESCRIPTION OF HKCG

Overview and History

HKCG is a leading clean energy supplier in Hong Kong and the PRC. The Group is engaged in diverse businesses whose principal activities include the production, distribution and marketing of gas, water supply and emerging environmentally-friendly energy businesses in Hong Kong and the PRC. Founded in 1862, HKCG has been listed on the Hong Kong Stock Exchange since 1960 and had a market capitalisation of approximately HK\$121.3 billion as at 30 June 2026. Its registered office is situated at 23rd Floor, 363 Java Road, North Point, Hong Kong.

HKCG has established a “twin-engine” business model capitalising on its stable utilities businesses, including its Hong Kong gas business, PRC gas business and water and environmental businesses, as well as diversifying into new growth businesses, including renewable energy, sustainable aviation fuel (“SAF”), green methanol, hydrogen energy and other extended businesses.

HKCG’s Hong Kong businesses, including the distribution of piped city-gas in Hong Kong, served approximately 2.06 million customers as at 31 December 2025. In addition, HKCG has approximately 74 per cent. penetration rate to Hong Kong households (based on the ratio of the number of HKCG’s total residential customers to the total number of Hong Kong domestic households). HKCG’s piped city-gas, referred to as town gas, is distributed in Hong Kong through an approximately 3,700 km underground pipeline network that is owned and operated by HKCG. HKCG’s businesses in Hong Kong accounted for 22.8 per cent. (HK\$12,373.8 million) of HKCG’s total revenue for the year ended 31 December 2025, and 23.1 per cent. (HK\$6,827.6 million) of HKCG’s total revenue for the six months ended 30 June 2026.

For HKCG’s PRC businesses and other geographical locations, including gas, water supply and waste treatment, renewable energy and green fuel businesses, revenue was HK\$41,952.5 million, representing 77.2 per cent. of HKCG’s total revenue for the year ended 31 December 2025 and HK\$22,698.5 million, representing 76.9 per cent. of HKCG’s total revenue for the six months ended 30 June 2026. HKCG (including subsidiaries, joint ventures and associates) is now a leading piped city-gas operator in the PRC in terms of volume of piped city-gas sold. HKCG’s PRC businesses, which began with the first joint venture in Guangdong province in 1994, continue to expand as HKCG views the PRC as an important aspect of its growth and diversification strategies. See “*Gas Business – PRC Gas Projects*”.

HKCG’s new energy business has earned a strong reputation for innovative research and the development of alternative energy sources such as turning low-grade waste materials into high-value energy products. In the year ended 31 December 2025 and for the six months ended 30 June 2026, the new energy business initiatives made a positive contribution to the Group’s total revenue and total profit.

Strengths

HKCG holds a leading and stable position in the Hong Kong piped city-gas market.

HKCG has a long track record and leading position in the Hong Kong piped city-gas market. Founded in 1862, HKCG was the first public utility company established in Hong Kong. HKCG has been listed on the Hong Kong Stock Exchange since 1960 and has been one of the constituent companies of the Hang Seng Index since 1964. HKCG is the supplier of reliable piped city-gas services to a diversified household consumer, commercial and industrial customer base in Hong Kong. As at 31 December 2025, HKCG served approximately 2.06 million customers in Hong Kong. HKCG has approximately 74 per cent. penetration rate to Hong Kong households. HKCG maintains an approximately 3,700 km underground pipeline network, which HKCG believes is within easy reach of approximately more than 85 per cent. of Hong Kong households. HKCG also has a sound safety track record, with a continuing commitment to implement on-going safety measures.

HKCG holds a strong and sustainable position in the geographical markets in which it operates.

HKCG is the only piped city-gas operator in Hong Kong and does not expect significant competition to emerge due to high barriers to entering the market, such as governmental approvals for, and significant initial investment in, the development of piped city-gas infrastructure. With rising oil and electricity prices, HKCG believes that its piped-gas services in Hong Kong are cost-competitive when compared with other energy sources, such as electricity and piped and bottled LPG. HKCG charges its customers a basic tariff and a fuel cost adjustment and so its piped city-gas margins are shielded from feedstock cost fluctuations. The pass-through mechanism enables HKCG to fully pass through fluctuations in fuel costs to the end-user in Hong Kong. HKCG expects to maintain its stable financial position in the coming years. Further, HKCG's principal supplies are natural gas and naphtha, the two feedstocks used in the production of town gas. HKCG's natural gas for its Hong Kong operations is mainly supplied under the terms of a 25-year agreement it has signed with its natural gas supplier in 2004 on favourable terms. The agreement commenced from the first LNG shipment in 2006. The use of dual feedstocks of natural gas and naphtha means that HKCG's can adjust a certain portion of the mix between naphtha and natural gas according to market supply conditions. HKCG has contracts with several suppliers from Southeast Asian countries and Australia to ensure reliability of the supply of feedstocks.

Additionally, HKCG has been operating joint venture projects in the PRC since 1994 and has developed a significant foothold in a number of provinces and regions. HKCG maintains good relationships with and receives support from the PRC government authorities, as many of HKCG's joint venture partners are provincial or local governments or government-owned entities. As at 31 December 2025, HKCG, through its Group entities, maintained interests in 325 piped city-gas projects across 23 provinces, municipalities and autonomous regions. Many of HKCG's piped city-gas projects have been granted exclusive operation rights, usually for terms of 30 years. Revenue from HKCG's operations outside of Hong Kong, including the gas, water and renewable energy businesses amounted to HK\$41,952.5 million and HK\$22,698.5 million in the year ended 31 December 2025 and for the six months ended 30 June 2026, respectively. HKCG further benefits from the favourable industry backdrop for natural gas consumption in the PRC. HKCG has also signed a 15 billion m³ (1.5 billion m³/year) pipeline gas long-term agreement with three state-owned oil and gas majors, securing long-term supply of pipeline gas to HKCG's PRC operation.

HKCG has a stable utilities business in Hong Kong and China complemented by its growth businesses in renewable energy, green fuel and its extended businesses.

HKCG maintains a conservative financial profile, supported by a stable income and cash flow that is primarily a result of its strong Hong Kong piped city-gas business and the contribution from its PRC utility businesses, comprising its mainland city-gas, water and environmental businesses. HKCG believes that the PRC holds high growth opportunities for the Group because of economic growth, urbanisation and the PRC government's support for clean energy. As a result, HKCG believes that it is well positioned for continued expansion in the PRC's expanding utilities industry.

HKCG developed its emerging environmentally-friendly renewable businesses in Hong Kong and the PRC, including distributed rooftop solar, and conversion and utilisation of biomass and industrial and agricultural waste into advanced biofuels such as SAF and green methanol. HKCG's new renewable business has earned a strong reputation for innovative research and the development of alternative energy sources such as turning low-grade waste materials into high value energy products. In the year ended 31 December 2026 and for the six months ended 30 June 2026, the renewable energy business initiatives made a positive contribution to the Group's total revenue and total profit. HKCG's management team has rich experiences in the gas and distribution businesses and HKCG has a committed substantial shareholder.

HKCG's management and operational teams have extensive experiences in numerous aspects of the gas industry such as business operations, technical know-how, engineering, safety and sales and marketing. The management team maintains a high standard of corporate governance, prudence in financial controls

and strict adherence to environmental and safety policies. In respect of both Hong Kong and the PRC, HKCG's management and operational teams also have strong contacts with local and provincial governmental departments and authorities in Hong Kong and the PRC. HKCG also appoints some board members and key managers for each of HKCG's project companies in the PRC, and in most cases, the general managers, to establish and maintain HKCG's corporate governance and operational standards and to lend their expertise to the new ventures.

HKCG's primary substantial shareholder is Henderson Land. As at 31 December 2025, Henderson Land held the beneficial interest in approximately 41.53 per cent. of HKCG's shares.

HKCG has a strong and conservative financial profile.

HKCG has a strong financial base, and its operating and capital expenditures are funded through cash flow from operations, internal liquidity, banking facilities, debt and equity financing. HKCG maintains adequate and stable funding sources, including unutilised banking facilities and medium-term note programmes, to meet its future capital expenditure and working capital requirements. Moody's Investors Service maintained HKCG's issuer rating at "A1", while Standard & Poor's reaffirmed HKCG's long-term corporate credit rating at "A-".

Strategy

Seizing Northern Metropolis opportunities for growth

To support the HKSAR Government's Northern Metropolis development, the Group has been proactively investing in gas infrastructure to ensure the early availability of reliable energy supply. It will be a key engine for the Group's local operations. During 2025, medium- and low-pressure pipeline works were progressively completed to serve early-stage customers, including the 3,000-bed teaching hospital at Ngau Tam Mei, supporting the area's growing residential, commercial, and institutional needs.

As the Northern Metropolis continues to take shape, the Group will further strengthen its energy infrastructure network while exploring opportunities in hydrogen and new gas applications. By supporting green, low-carbon development and enhancing regional energy connectivity, the Group aims to capture new growth opportunities while contributing to Hong Kong's smart city development and sustainable future.

Optimising gas resources structure, improving dollar margin, and vigorously developing "Gas+" business

Despite a challenging operating environment, the Group strengthened the resilience and profitability of its gas business by optimising its gas supply chain and deepening long-term collaborations with major state-owned oil enterprises and PipeChina. Significant progress was also made in advancing the cost pass-through mechanism, with industrial and commercial tariff adjustments largely completed and around 90% of residential users having implemented or confirmed adjustment plans, helping to improve gross profit margins and enhance earnings quality.

At the same time, the Group continued to expand its "Gas+" business as a key growth driver by providing integrated energy services to industrial and commercial customers. In response to national policies on large-scale equipment renewal, the Group extended its offerings into areas such as energy trusteeship and industrial energy conservation. During the year ended 31 December 2025, the "Gas+" business achieved energy sales of 2.87 billion kWh and natural gas sales of 210 million cubic metres, demonstrating the effectiveness of deepening the Group's presence in existing markets and expanding integrated energy services under the "Gas+" model.

Capturing Renewable Energy Growth Opportunities through PV Expansion, Electricity Trading and Gas-Electricity-Carbon Synergies

Despite market volatility arising from electricity price fluctuations and the introduction of market-oriented trading policies, the Group continued to strengthen its renewable energy business through its integrated low-carbon model of “photovoltaics + energy storage + electricity sales”. As at the end of 2025, the business covered 25 provinces, autonomous regions and municipalities, serving more than 2,000 industrial customers.

The Group is well positioned to capture opportunities arising from China’s dual-carbon agenda and the development of zero-carbon industrial parks. Leveraging its portfolio of 128 zero-carbon smart industrial parks and the synergistic advantages of “gas-electricity-carbon”, the Group continues to expand its integrated energy services, reinforcing its competitive position in the renewable energy market and supporting sustainable business growth.

Advancing SAF Growth through Capacity Expansion and Strategic Partnerships

SAF remained a key growth area for the Group through EcoCeres, Inc (“EcoCeres”), its incubated company and strategic investment, which continued to strengthen its industry leadership through technological innovation and international expansion. During the year ended 31 December 2025, EcoCeres commissioned a new SAF plant in Malaysia, marking the first overseas replication of its proprietary Hydroprocessed Esters and Fatty Acids (HEFA) technology. Together with the plant in Zhangjiagang, Jiangsu Province, this expanded annual renewable fuel production capacity from 350,000 tonnes to 770,000 tonnes, reinforcing EcoCeres’s leading position in the global SAF market.

The business also expanded its international footprint through strategic partnerships with global airlines, including a multi-year SAF supply agreement with British Airways. At the same time, EcoCeres is supporting the development of an SAF industrial chain across the Guangdong – Hong Kong – Macao Greater Bay Area, in line with the HKSAR Government’s low-carbon transition agenda. Backed by proven technology, growing production capacity and increasing market demand, the SAF business is well positioned to capture long-term growth opportunities arising from the global aviation sector’s decarbonisation efforts.

Building an End-to-End Green Fuel Supply Ecosystem through Green Methanol Expansion

The Group made significant progress in its green methanol business during 2025, advancing its strategy to build an end-to-end green fuel supply ecosystem through partnerships with industry leaders. In support of the HKSAR Government’s vision to develop Hong Kong into a green maritime fuel bunkering centre, the Group established a joint venture, VENEX Holding Company Limited (“VENEX”), with Foran Energy and integrated its Inner Mongolia plant into the VENEX operation. The facility continued to supply green methanol to major ports across Asia, supported by ISCC dual certification and stable production capacity.

Looking ahead, the Group expects to increase the production capacity through the expansion of the VENEX operation and the development of a new plant in Foshan, Guangdong Province by 2028. Supported by strategic partnerships across the green maritime fuel ecosystem and favourable policy support, the Group is strengthening sustainable fuel supply capabilities and supporting Hong Kong’s development as an international green maritime fuel bunkering centre.

Driving Extended Business Growth through Trade-in Market Expansion and Service Innovation

The Group continued to expand its extended businesses through Towngas Lifestyle, which completed its first round of strategic financing and launched its Extended Business 2.0 strategy during 2025. Leveraging its service-driven household lifestyle manager model, Towngas Lifestyle replicated successful customer engagement experiences across different cities and further enhanced its products, services and technologies. As a result, the platform expanded its reach to 46 million users across Hong Kong and the Chinese mainland.

In the Chinese mainland market, the smart kitchen business capitalised on national subsidy policies to strengthen its position in the existing trade-in market. By focusing on product upgrades and the expansion of sales channels, and leveraging specialised hazard rectification services to increase user reach, sales from trade-in programmes recorded an 18% year-on-year increase in 2025. Meanwhile, the mainland insurance business strengthened its online operations and product structure, with over 90% of business data migrated online through system integration and process reengineering. The business also explored an innovative “insurance + service” model and continued to optimise its product structure, contributing to stable high-quality growth and building a sustainable competitive advantage.

Strengthen AuM cooperation and gas-electricity synergy to drive high growth in PV and electricity trading

The Group continued to enhance its renewable energy business by optimising its Energy as a Service (“EaaS”) model, which integrates green power supply, energy efficiency management, power trading and carbon asset operations. Leveraging digital and intelligent scheduling as well as scaled operations, the Group helped customers optimise energy consumption and achieve their low-carbon goals. At the same time, the Group strengthened its digital capabilities through an AI-powered smart energy management platform for zero-carbon industrial parks, improving the efficiency of “control, scheduling and trading”.

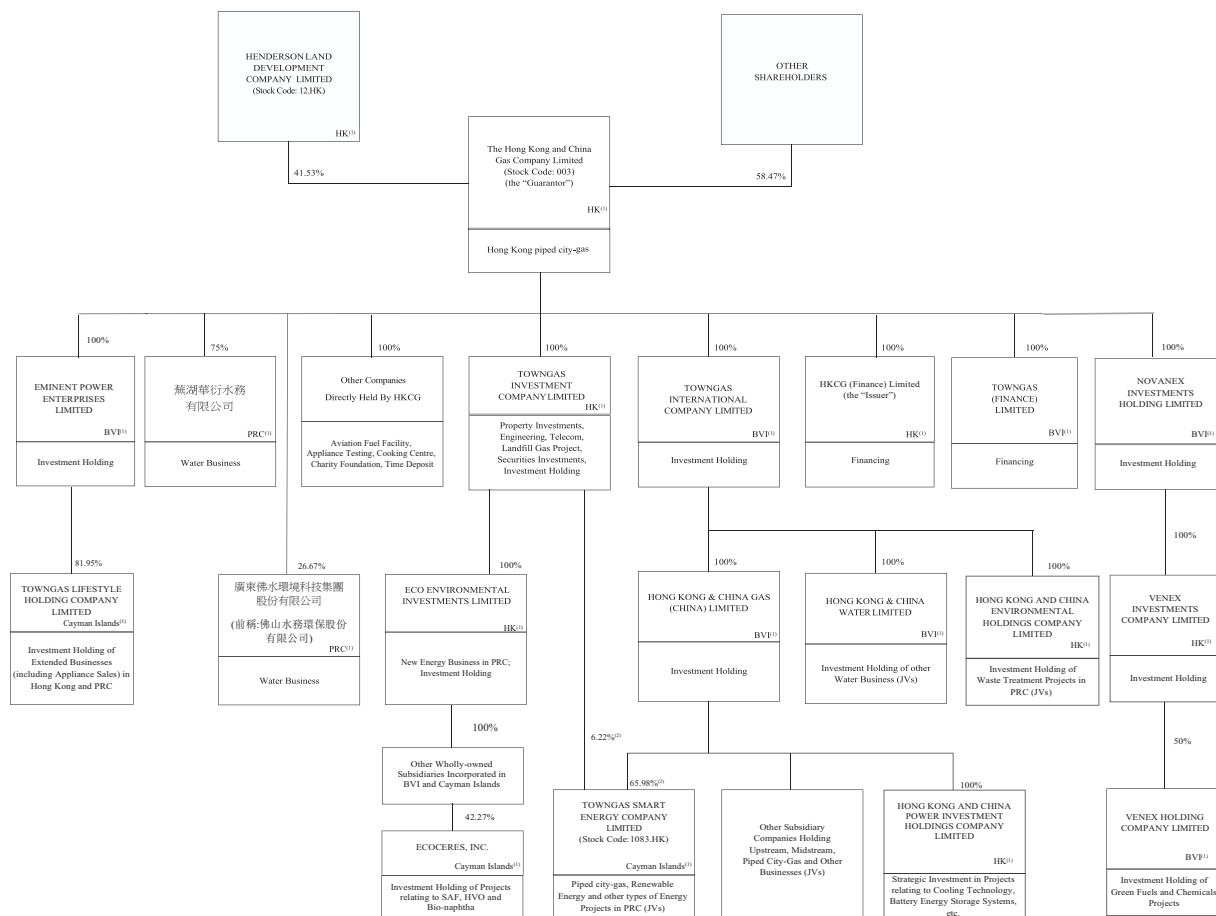
To deepen its Assets under Management (“AuM”) strategy, the Group introduced strategic investors and launched the second and third tranches of its asset-backed securities programme (“quasi-REIT”), bringing cumulative AuM financing to RMB3.5 billion in 2025. These initiatives broadened capital channels, optimised cash flow structure and advanced the Group’s asset-light strategy, while further fostering ecosystem cooperation and supporting the continued development of its renewable energy business.

Advancing Hydrogen Energy Development through Infrastructure and Innovation

Hydrogen energy remains a key component of the Group’s low-carbon growth strategy, aligned with national and Hong Kong initiatives to promote future green energy industries. Leveraging its extensive 3,700-kilometre gas pipeline network in Hong Kong, the Group is uniquely positioned to integrate hydrogen into existing energy infrastructure and support the development of a comprehensive hydrogen energy ecosystem through technology innovation, standards development and cross-sector collaboration.

During the year ended 31 December 2025, the Group expanded hydrogen applications through several pioneering projects, including Hong Kong’s first integrated hydrogen power generator and the city’s first public automatic hydrogen-powered charging system for electric vehicles. The Group is also advancing hydrogen power generation trials at construction sites and exploring the use of hydrogen extracted from the existing town gas network for electricity generation. By capitalising on its infrastructure advantages and promoting innovative hydrogen applications, the Group continues to support Hong Kong’s transition towards a green, carbon-neutral future.

The following is a simplified diagram of HKCG's corporate structure as at 30 June 2026:



(1) Locations are places of incorporation.

(2) As Hong Kong & China Gas (China) Limited (“HK&CG (China)”) was a wholly-owned subsidiary of Towngas International Company Limited (“TICL”), which in turn was a wholly-owned subsidiary of HKCG, each of TICL and HKCG was therefore taken to be interested in the 2,422,525,227 shares of Towngas Smart Energy held by HK&CG (China) by virtue of Part XV of the Securities & Futures Ordinance (the “SFO”). In addition, as Planwise Properties Limited (“Planwise”) and Superfun Enterprises Limited (“Superfun”) were wholly-owned subsidiaries of Towngas Investment Company Limited (“TICL-HK”), which in turn was a wholly-owned subsidiary of HKCG, each of TICL-HK and HKCG was therefore taken to be interested in 228,347,011 shares of Towngas Smart Energy, which included (i) the 224,526,492 shares of Towngas Smart Energy held by Planwise; and (ii) the 3,820,519 shares of Towngas Smart Energy held by Superfun by virtue of Part XV of the SFO. The approximate percentage figures of interest of (i) HKCG, (ii) TICL and HK&CG (China), (iii) TICL-HK and (iv) Planwise in the shares of Towngas Smart Energy were 72.20 per cent., 65.98 per cent., 6.22 per cent. and 6.12 per cent. respectively. Subsequent to the allotment and issue of a total 108,325,192 new shares under Towngas Smart Energy’s scrip dividend scheme on 30 June 2026 to HK&CG (China), Planwise and Superfun by Towngas Smart Energy on 14 July 2026, the approximate percentage figures of interest of (i) HKCG, (ii) TICL and HK&CG (China), (iii) TICL-HK and (iv) Planwise in the shares of Towngas Smart Energy were therefore adjusted to (i) 70.11%, (ii) 64.07%, (iii) 6.04% and (iv) 5.94%, respectively, as at 14 July 2026.

Utility Businesses

Gas Business

The gas industry can be broadly categorised into three segments: upstream production, midstream transportation and downstream piped city-gas distribution. HKCG's core business is the processing, transportation and distribution of piped city-gas in Hong Kong, with a growing downstream piped city-gas business in the PRC. The following discussion provides a description of HKCG's gas pipelines, its gas processing, its gas delivery processes in Hong Kong and the PRC, its downstream piped city-gas transportation and distribution in Hong Kong and the PRC, and a summary of the Group's PRC projects.

Overview

The following is a general industrial description of the gas delivery process. Natural gas production mainly involves underground exploration, drilling, extraction and purification. After extraction from a gas well, natural gas is transmitted to nearby facilities for removal of water content and impurities. The natural gas is then transported from the facilities via long haul pipelines under high pressure so that it may be supplied to multiple locations near such pipelines.

In Hong Kong, HKCG owns and operates its network pipeline infrastructure, and in the PRC, HKCG operates, indirectly through its project companies, the gas pipeline infrastructure of each piped city-gas project location (including the intermediate pipelines, the city gates, the main pipelines and the branch pipelines). In the PRC, HKCG primarily engages in downstream activities by way of purchasing natural gas from oil and gas exploration and production companies and distributing natural gas to end-users. The downstream company determines the method of delivering natural gas to its desired destination after taking into account factors such as the distance between the collection and delivery points and the expected demand for gas from the relevant gas supply locations. Apart from pipeline transportation and distribution, there are alternative means of natural gas transportation including the delivery of liquefied or compressed natural gas by truck to a processing station from gas wells or stations located along the relevant long haul pipeline.

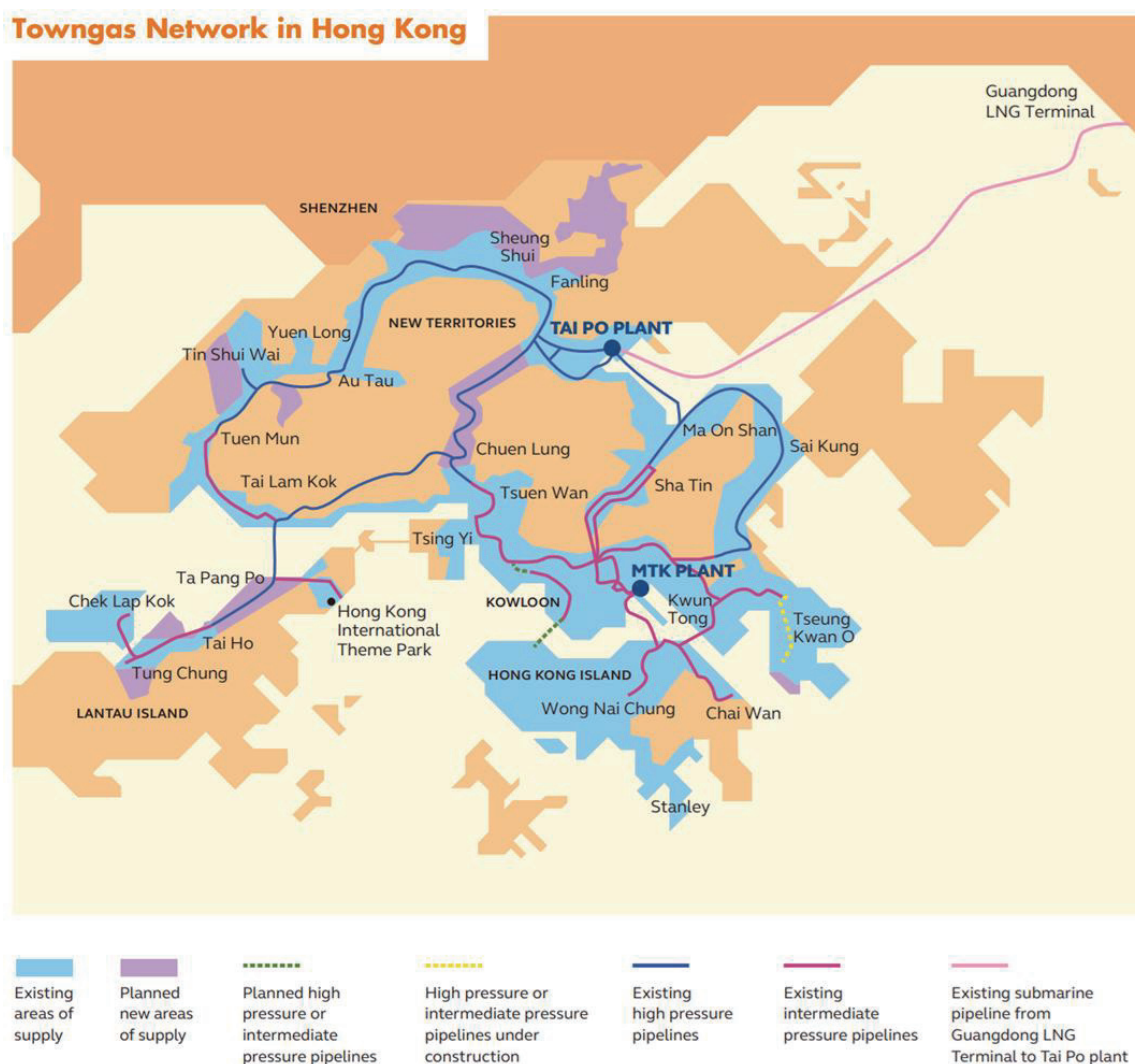
Main pipelines are laid within a piped city-gas operational location and represent the backbone of the gas delivery system. Different sections of the main pipelines operate at slightly different pressures, with computer-controlled regulators controlling the flow of natural gas for delivery to end-users via the branch pipelines. When there is a demand for a connection of gas to a particular area within a location, the downstream company will invest in the construction of the branch pipelines to connect the main pipelines to the pressure-regulating boxes located in the end-users' buildings or premises. The pressure-regulating box reduces the natural gas to a lower pressure before the natural gas is transported to the end users' buildings or premises.

Piped City-Gas Business in Hong Kong

Gas delivery

HKCG provides an uninterrupted, safe and reliable supply of piped city-gas to its Hong Kong customers. HKCG is the primary downstream piped city-gas supplier in Hong Kong with approximately 3,700 km of underground pipeline infrastructure that HKCG believes is within easy connection-reach of approximately 86 per cent. of all households.

The following diagram reflects key aspects of HKCG's pipeline network in Hong Kong as at 31 December 2025:



HKCG received PAS 55-1:2004 certification during 2007 and is among the first gas companies in the region to receive this well-recognised asset management certification. Subsequently, HKCG has been certified to ISO55001:2014 standard across its gas production plants and its transmission and distribution network.

HKCG continues to expand its supply network with new pipeline projects throughout Hong Kong. The first of these, the Eastern Transmission Pipeline project, which consists of a high-pressure pipeline from Ma On Shan via Sai Kung to eastern Kowloon, was completed in 2008. The pipeline provides an additional supply point and brings better supply capacities and service reliability to the area.

To facilitate the use of landfill gas as fuel for town gas production, a pipeline from the northeastern New Territories landfill site to HKCG's Tai Po plant was completed and commissioned in early 2007. The pipeline was further extended in 2017 to supply landfill gas to the first combined heat and power system in Hong Kong at the Alice Ho Miu Ling Nethersole Hospital in Tai Po.

The laying of a 15 km pipeline to carry natural gas from Tai Po to the Ma Tau Kok (“MTK”) gas processing plant was completed in 2014. The pipeline has aided to partially replacing naphtha as feedstock for the production of town gas. In addition, the Tai Po Gas Production Plant also uses treated landfill gas obtained from HKCG’s landfill project sites in Hong Kong as feedstock for the production of town gas.

To maintain a high level of supply reliability, HKCG has been forming a ring-feed transmission network in the New Territories. The transmission pipelines linking Tuen Mun and Tsuen Wan were completed in 2021. Satisfactory progress was made in reinforcing the supply to major commercial and industrial customers in Tai Po and Yuen Long Industrial Estates, as well as the two theme parks in Hong Kong.

HKCG continues to make progress on the network design for the residential developments in Kai Tak, Kwu Tung North, Fanling North, Hung Shui Kiu, Yuen Long South and Tung Chung New Town Extension.

To help accelerate the HKSAR Government’s plans for the Northern Metropolis development, HKCG has been investing in the area’s gas infrastructure. The planned medium- and low-pressure pipeline works were progressively completed during the year to supply gas to early-stage customers, ensuring a stable energy supply for daily life and industries in the new area. See “*Description of HKCG – Strategy*”.

HKCG will continue working with the Hong Kong government to coordinate gas requirements of the new developments and to ensure necessary supplies when such developments are completed.

Gas processing

HKCG produces its town gas at two production plants located at Tai Po and MTK in Hong Kong. The majority of HKCG’s gas is currently processed at the Tai Po plant. The Tai Po plant has stringent requirements on quality, environmental protection and occupational safety and health management. The management systems in quality, environmental protection and occupational safety and health are certified to the ISO 9001, ISO 14001 and ISO 45001 international standards, respectively. HKCG also conducts annual internal and external audits on both of its plants.

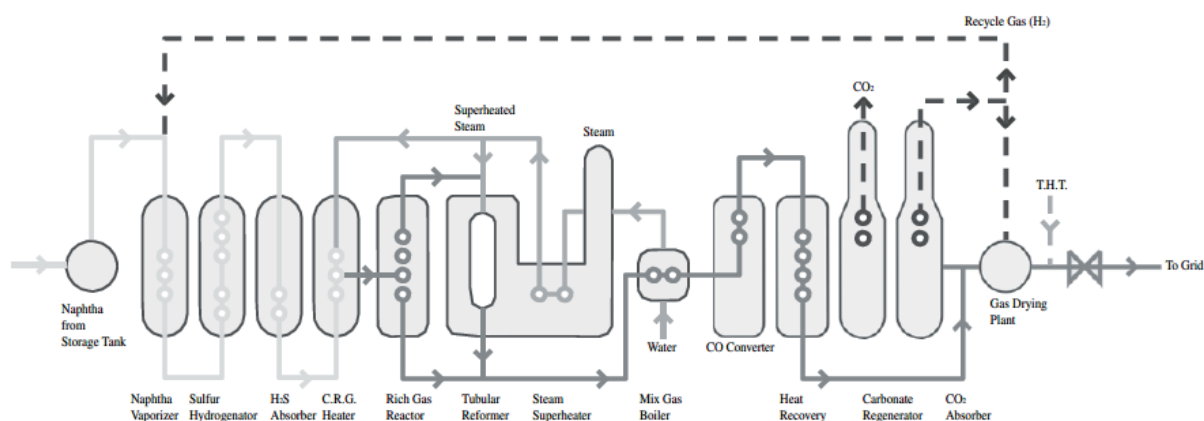
Located in the Tai Po InnoPark, the Tai Po plant has a total area of 11.71 hectares as at 31 December 2025. It was constructed in two phases—the first phase commenced operation in December 1986 and the second phase was completed in 1992. HKCG completed further modifications to the plant in 2006 and 2020 to cope with increasing customer demand. There are eight gas-making trains at the Tai Po plant, capable of supplying a maximum of 10.22 million standard cubic metres of town gas per day (“SCMD”). In comparison, the total production capacity of the MTK plant is 2.6 million SCMD.

HKCG uses naphtha (a light petroleum distillate) and natural gas to produce town gas, with an increasing focus on natural gas. The use of dual feedstocks under the Group’s diversified production strategy means HKCG’s gas-making trains can switch to naphtha if natural gas supply problems occur. HKCG adopted naphtha as a feedstock in the 1970s, replacing coal and heavy oil. Naphtha has a low sulphur content of less than fifty parts per million (ppm), resulting in lower emissions of sulphur dioxide, a key component of acid rain, during the gas production process. Similarly, first introduced in October 2006, natural gas provides a clean feedstock in the production of town gas and also constitutes a more economical and reliable energy source for Hong Kong. HKCG secured a 25-year supply of natural gas in 2004 with Guangdong Dapeng at favourable rates relative to current natural gas prices, and as a result, customers received a reduction of up to 23 per cent. in their gas bills during 2008. See “*Suppliers and Customers – Suppliers*”. The natural gas is piped from the LNG receiving terminal at Dapeng, Shenzhen to HKCG’s Tai Po plant via a pair of 34 km high pressure submarine pipelines laid across the Tolo Harbour seabed. To prepare for the introduction of natural gas, HKCG undertook modifications at the Tai Po plant beginning in 2003, including the construction of new facilities such as

a natural gas receiving station and an air compressor station, while eight gas-making trains were modified for dual feedstock production. In 2007, HKCG completed its first full year of natural gas usage in the production of town gas, which helps reduce carbon dioxide emissions.

At the Tai Po plant, all eight gas-making trains use the catalytic rich gas (“CRG”) Series ‘A’ process to produce town gas. CRG is a continuous, high-pressure process that, for the production process using naphtha as feedstock, begins with the conversion of naphtha into a methane-rich gas through low-temperature steam reforming. Part of this rich gas is then passed into a catalytic tubular reformer where it reacts further with additional steam at a high temperature, producing lean gas. The resulting lean gas is then mixed with the rich gas in accordance with a fixed ratio to achieve the required calorific value of town gas. The carbon monoxide present in the reformed gas product is reduced by the shift reaction in a high temperature converter, increasing the content of hydrogen. To achieve the specific gravity of town gas, the content of carbon dioxide is reduced by a hot potassium carbonate solution. Part of the converted gas is then cooled, and the carbon dioxide content is lowered to 1 per cent. before the gas is mixed with the rest of the converted gas. The gas is then cooled and dried, and an odorant is added to the gas to give town gas a distinctive smell before the town gas production cycle is completed.

The following diagram illustrates the CRG production process at the Tai Po plant:



Where the production process utilises natural gas as feedstock, naphtha is converted into a methane-rich gas through low-temperature steam reforming. Natural gas is delivered to a catalytic tubular reformer in which it reacts to steam at a high temperature, becoming a lean gas. The resulting lean gas is mixed with rich gas in a fixed ratio to achieve the required calorific value of town gas. The rest of the process is similar to the pure naphtha production process except that there is no need to reduce the carbon dioxide content.

Town gas is ultimately distributed at a maximum pressure of 3,450 kilopascals as a clean, gaseous fuel that is about half the density of air.

Piped city-gas customers

Despite the maturity of the market in Hong Kong, HKCG’s downstream piped city-gas operations throughout the territory continue to form its core business and revenue generator, in addition to providing the platform for the diversification of its activities into the PRC. HKCG’s objective in Hong Kong is to provide reliable and energy efficient services that will create a quality lifestyle for its customers.

HKCG has provided downstream piped city-gas services to Hong Kong customers since 1864. HKCG’s services, which are provided in Hong Kong under the Towngas brand, include gas for cooking and water heating. As at 31 December 2025, HKCG served approximately 2.06 million customers, of which about 0.8 per cent. were commercial and industrial customers. HKCG’s revenue breakdown based on

consumption profile was, for the year ended 31 December 2025, approximately 57 per cent. residential and approximately 43 per cent. commercial and industrial. Overall, HKCG has approximately 74 per cent. penetration rate to Hong Kong households. In the face of an increasingly mature market, as at 31 December 2025, HKCG's customer base increased by 19,000 customers since 31 December 2024.

In the commercial and industrial sector, HKCG is strengthening its market position by expanding the use of gas and related solutions in a competitive energy market. Leveraging close customer relationships and industry expertise, it delivers innovative, cost-effective solutions across sectors including laundry, food processing, restaurants, theme parks, hotels, and hospitals.

Growth has been supported by developments such as the commissioning of Hong Kong International Airport's third runway and increased visitor flows under the "Southbound Travel for Guangdong Vehicles" initiative. Alongside tourism recovery and a steady pipeline of exhibitions and mega events, these factors have sustained hotel occupancy and driven demand in hospitality, catering, and commercial laundries, contributing to higher gas sales. The rising number of non-local students in Hong Kong is also boosting demand for student accommodation, creating new opportunities for centralized hot water systems.

As an important partner to the catering industry, HKCG has focused on innovation and development so that catering businesses can improve their competitiveness and sustainable development. To promote "green smart kitchens", the Group cooperated with large fast food brands to integrate IoT technology into their kitchen equipment, such as gas appliances, to enhance energy efficiency. HKCG also hosted the first Excellence in Green Appliance Competition Award (Steam Cabinet) design competition to encourage the development of high-efficiency, energy saving kitchen equipment by manufacturers, with the aim of supporting sustainability in the catering industry. In future, HKCG will continue to develop more innovative technological solutions to drive the green transition.

In the public services sector, several government hospitals in Hong Kong have been completed and commissioned in phases. During the year ended 31 December 2025, the redeveloped Kwai Chung Hospital, the newly built Kai Tak Hospital, and the expanded United Christian Hospital became customers of the Group. In addition, the Food Angel Jockey Club Food Production Centre in Sha Tin, completed in 2025, has gradually commenced operations, with the Group providing gas services for its central food production facilities.

An exceptionally promising market is for the desiccant dehumidification system HKCG has developed, which provides significant improvements to indoor air quality (IAQ). This compact integrated Desiccant +Primary Air Unit, or D-PAU, has already been installed at H Zentre on Middle Road and in a ward at Hong Kong Baptist Hospital. Its ability to provide better indoor air quality as well as improved humidity control has since been further enhanced by integrating other air quality control devices, such as an Electrostatic Precipitator (EP) and UV Photocatalytic Oxidation (PCO) component for filtering fine particles and eliminating microbes.

Pricing and billing

HKCG's bills consist of a basic tariff and a fuel cost adjustment. The Hong Kong pricing scheme for HKCG's piped city-gas is not regulated. The basic tariff is determined by a number of factors including the cost of supply, competition, general economic conditions, inflation, and customer profile. HKCG raised its basic tariff by HK\$0.0125 per megajoule, representing 4.4 per cent. of the basic tariff, on 1 August 2026. About 65 per cent. of its residential customers will pay no more than HK\$10 extra for their gas consumption each month. HKCG has also promised to freeze its basic tariff for two years after the increase. In addition, HKCG has the ability to pass-through fluctuations in fuel costs directly to customers. HKCG determines the fuel cost adjustment based on a reference price, and any increases or decreases HKCG pays relative to the reference price is passed on, or rebated, as the case may be, to the customer. See "*Relationship with the Government*".

In respect of residential customer billing, HKCG sends a bill to its customers every two months comprising a basic tariff and a fuel cost adjustment. No connection fees are charged other than an initial connection to the network, which, if charged, is usually paid by the property developer of large scale new developments.

Gas consumption

The residential gas charge is based on gas consumption, and consumption is determined by metre readings by HKCG every six months, self-reading by customers or by estimated readings based on past usage. Once a customer receives a bill, payment is due within eight business days and may be made through a variety of methods including automatic debit, cheque, the internet, automatic teller machines, convenience stores and post offices. Most of HKCG's customers pay within the prescribed period. HKCG also maintains a deposit, paid upon the opening of each new account, ranging from HK\$300 to HK\$600 that may be set off against bad debts.

In respect of commercial and industrial customers, the process described above is generally the same. However, since the consumption by these customers is significantly higher, metre readings are conducted and bills are sent on a monthly basis. A higher deposit (either in cash or by a bank guarantee) is also maintained. HKCG's bad debt profile for commercial and industrial customers is very low.

PRC Gas Projects

Overview

HKCG's PRC business began with the first joint venture in the Guangdong province in 1994 and it is HKCG's strategy to expand in the PRC, as HKCG views the PRC as an important aspect of its growth and diversification strategy. HKCG maintains a presence in many of the PRC's most economically vibrant cities and regions, and as at 31 December 2025, the Group maintained interests in 325 downstream piped city-gas projects (inclusive of piped gas projects re-invested by the Group's companies), 13 midstream transportation projects and three upstream projects across 23 provinces, municipalities and autonomous regions. In the downstream piped city-gas segment, HKCG seeks to implement projects in developing cities with natural gas availability, high-living standards and good economic growth prospects to service utility needs and industrial infrastructure growth. In the midstream transportation segment, HKCG aims to expand its 13 midstream projects by establishing a strong strategic link to a reliable natural gas supply for its downstream piped city-gas operational areas. In the upstream segment, HKCG has established three upstream projects to supplement and secure the source of gas supply, which partially offset reliance on other third party suppliers.

HKCG acquired a significant interest in Towngas Smart Energy Company Limited ("Towngas Smart Energy") in March 2007, which complements HKCG's strategy, extending the geographical reach of HKCG's piped city-gas projects in northeastern and southwestern PRC. As at 31 December 2025, HKCG held 69.25 per cent. of shares in Towngas Smart Energy and is the controlling shareholder. See "*Certain Relationships and Related Party Transactions*".

In June 2015, Standard & Poor's upgraded the long-term corporate credit rating of Towngas Smart Energy from "BBB" to "BBB+", while maintaining its rating outlook as "stable". In July 2015, Moody's Investors Service upgraded the issuer rating of Towngas Smart Energy from "Baa2" to "Baa1" with a "stable" outlook rating. These ratings have been affirmed by respective credit agencies in 2025. These ratings, and the ongoing enhancement in HKCG's credit standing in particular, reflect the credit rating agencies' recognition of Towngas Smart Energy's stable business and credit profile.

In line with the escalating concern for sustainable development, businesses in the international community have started to focus on companies with environmental sustainable operations. In this regard, Towngas Smart Energy's admission as a constituent stock to the "Hang Seng Corporate Sustainability Index Series" in Hong Kong in 2012 highlighted the industry's recognition of the Group's efforts to fulfil corporate social responsibilities and performance in sustainable development.

Downstream piped city-gas in the PRC

Overview

HKCG's piped city-gas business forms the core of its activities in the PRC. HKCG first began operations in the PRC in 1994, at which time it served approximately 5,000 customers. As at 31 December 2025, HKCG maintained interests in 325 piped city-gas projects (inclusive of piped gas projects re-invested by the Group's companies) in 23 provinces, municipalities and autonomous regions and served, through the Towngas brand, approximately 44.3 million commercial, industrial and residential customers. HKCG, together with Towngas Smart Energy, is an integral part of its PRC expansion strategy. HKCG continues to invest in new piped city-gas projects from time to time in furtherance of this strategy.

For the 325 downstream piped city-gas projects (inclusive of city-gas projects re-invested by the Group's companies), HKCG expects growth to come primarily from (i) continued expansion of HKCG's gas pipeline infrastructure, (ii) strengthening upstream gas resources by further developing its multi-gas source synergy and multi-channel operating model, (iii) an increase in gas consumption as part of the PRC government's efforts to transition to a low-carbon economy, (iv) providing high-quality integrated services to industrial and commercial customers through the "Gas +" business service and (v) an increase in natural gas as a component of total energy consumption. Accordingly, HKCG believes that there is potential for expansion, which is also evidenced by the PRC government's policy implementations to emphasise the role of natural gas as a source of energy in its latest 15th Five Year Plan. See "*The Hong Kong and PRC Gas Industry – PRC Downstream Piped City-Gas Industry – Natural Gas Production and Consumption in the PRC*". HKCG aims to capture both an increased market share and a steady income stream from an established customers base. Generally, the existing downstream piped city-gas projects focus on attracting large industrial and commercial customer base, as their gas usage rates are of a higher yield than residential customers. For the year ended 31 December 2025, gas sales by volume by HKCG in the PRC were 57 per cent. to commercial and industrial customers and 22 per cent. to residential customers, and 21 per cent. to wholesales and power plant customers.

Pricing and billing

HKCG's gas usage charges in the PRC are based on actual usage on a per cubic metre basis. The gas usage charges per cubic metre vary among the piped city-gas operational locations. HKCG determines the gas usage charges after taking into consideration the wholesale price of gas, operating costs, the price of substitute products and the purchasing power of local residents, subject to the approval of the local pricing bureau.

Connection fees are determined after a detailed analysis of factors such as estimated capital expenditure, number of users, growth in penetration rates, income levels and affordability for local residents. For the year ended 31 December 2025, consolidated gas sales accounted for approximately 76.5 per cent., and consolidated connection fees accounted for approximately 4.1 per cent., of consolidated revenues of the piped gas and related business in the PRC, respectively. Both connection fees and gas usage fees are subject to the approval of the local pricing bureau. Future price increases are also subject to the same approval process. Prior to increasing gas usage charges, the local pricing bureau may consider factors such as increases in the wholesale price of gas or operating expenses, inflation and additional capital expenditure. See "*The Hong Kong and PRC Gas Industry – PRC Downstream Piped City-Gas Industry – Government Policies Related to the PRC Downstream Piped City-Gas Sector*".

HKCG completed cost pass-throughs or confirmed cost pass-through arrangements for 90 per cent. of its residential customers on the Chinese mainland. Cost pass-throughs for all commercial and industrial customers were fully completed during the year. As a result, the average dollar margin of city gas increased to RMB0.54 per cubic metre for the year ended 31 December 2025.

Where cost pass-throughs have not yet been secured, there may be delays between movements in upstream gas prices and corresponding adjustments to end-user tariffs. Any such delay could have an adverse effect on HKCG's margins for the affected period. See also "Risk Factors – Inability to fully pass on natural gas cost fluctuations to piped city-gas end-users in the PRC could adversely affect HKCG's financial condition and results of operations".

Generally, HKCG mails bills each month to its residential, commercial and industrial customers. HKCG reads the metres of the majority of its customers each month so that bills accurately reflect usage, especially the high-volume consumption of its commercial and industrial customers. Customers have the option to pay by cheque, auto-pay, at banks or online. In some PRC piped city-gas locations, customers are also given the option to use pre-paid cards that are purchased and refilled at Towngas customer service centres. The pre-paid cards are inserted into the customers' gas units and gas volume is deducted based on usage. Because most of HKCG's gas sales in the PRC are commercial and industrial, and correspondingly, HKCG's ability to turn off the supply of gas due to non-payment is relatively easy, the bad debt rate is very low.

The following tables summarise the Group's principal piped city-gas project companies in the PRC, separated by HKCG and Towngas Smart Energy, as at 31 December 2025:

	<u>Equity Share</u> (%)	<u>Location</u>
HKCG Piped City-Gas		
Guangzhou Hong Kong and China Gas Company Limited	80	Guangdong
Zhongshan Hong Kong and China Gas Limited	70	Guangdong
Guangzhou Dongyong Hong Kong & China Gas Company Limited	82.6	Guangdong
潮州深能港華燃氣有限公司	36.53	Guangdong
Shenzhen Gas Corporation Limited	26.5	Guangdong
Yixing Hong Kong and China Gas Company Limited	80	Jiangsu
Taizhou Hong Kong and China Gas Company Limited	65	Jiangsu
Zhangjiagang Hong Kong and China Gas Company Limited	50	Jiangsu
Wujiang Hong Kong and China Gas Company Limited	80	Jiangsu
Xuzhou Hong Kong and China Gas Company Limited	80	Jiangsu
Danyang Hong Kong and China Gas Company Limited	80	Jiangsu
常州金壇港華燃氣有限公司	60	Jiangsu
Suzhou Hong Kong and China Gas Company Limited	55	Jiangsu
Changzhou Hong Kong and China Gas Company Limited	50	Jiangsu
Nanjing Hong Kong and China Gas Company Limited	49	Jiangsu
Suining Hong Kong and China Gas Company Limited	100	Jiangsu
豐縣港華燃氣有限公司	100	Jiangsu
Taizhou Yongan Hong Kong and China Gas Company Limited	93.9	Jiangsu
Peixian Hong Kong and China Gas Company Limited	100	Jiangsu
Hangzhou Natural Gas Company Limited	32	Zhejiang
Jilin Hong Kong and China Gas Company Limited	63	Jilin
Fengcheng Hong Kong and China Gas Company Limited	55	Jiangxi
Pingxiang Hong Kong & China Gas Company Limited	100	Jiangxi
Zhang Shu Hong Kong & China Gas Company Limited	100	Jiangxi
Jiangxi Hong Kong and China Gas Company Limited	56	Jiangxi
Shandong Towngas Group Company Limited	49	Shandong
Tongling Hong Kong and China Gas Company Limited	70	Anhui
武漢市燃氣集團有限公司 (formerly known as Wuhan Natural Gas Company Limited)	49	Hubei
Xian Qinhua Gas Group Company Limited (formerly known as Xian Qinhua Natural Gas Company Limited)	49	Shaanxi
Beijing Beiran & HKCG Gas Company Limited	49	Beijing
海南昆侖港華燃氣有限公司(formerly known as Hainan Petrochina Kunlun Hong Kong and China Gas Company Limited)	49	Hainan
新密港華燃氣有限公司	100	Henan
Jingxian Hong Kong and China Gas Company Limited	81	Hebei
Towngas Smart Energy Piped City-Gas⁽¹⁾		
Foran Energy Group Co., Ltd.	36.6	Guangdong
Qingyuan Hong Kong and China Gas Company Limited	80	Guangdong
Shao Guan Hong Kong and China Gas Company Limited	100	Guangdong
Yang Jiang Hong Kong and China Gas Company Limited	100	Guangdong
潮州深能港華燃氣有限公司	15	Guangdong
Gao Chun Hong Kong and China Gas Co., Ltd.	100	Jiangsu
Dafeng Hong Kong and China Gas Company Limited	51	Jiangsu

	Equity Share (%)	Location
Tongshan Hong Kong and China Gas Company Limited	100	Jiangsu
Shandong Towngas Group Company Limited	18.7	Shandong
Qingdao Zhongji Hong Kong and China Gas Company Limited*	90	Shandong
Qingdao Dong Yi Hong Kong and China Gas Company Limited*	60	Shandong
Weihai Hong Kong and China Gas Company Limited*	50	Shandong
Taian Taishan Hong Kong and China Gas Company Limited*	49	Shandong
Zibo Hong Kong and China Gas Company Limited*	50	Shandong
Zibo Lubo Gas Company Limited*	27	Shandong
Longkou Hongkong and China Gas Co., Ltd.*	100	Shandong
Weifang Hong Kong and China Gas Company Limited*	50	Shandong
Chi Ping Hong Kong and China Gas Company Limited	100	Shandong
Linqu Hong Kong & China Gas Company Limited.	42.4	Shandong
Laiyang Hong Kong and China Gas Co., Ltd.	100	Shandong
Boxing Hong Kong and China Gas Company Limited	65	Shandong
Feicheng Hong Kong and China Gas Company Limited	100	Shandong
Jinan Pingyin Hongkong & China Gas Company Limited	82.2	Shandong
Wulian Hong Kong and China Gas Company Limited.	70	Shandong
Yangxin Hong Kong & China Gas Company Limited	80	Shandong
Zhao Yuan Hong Kong & China Gas Company Limited	100	Shandong
Tongxiang Hong Kong and China Gas Company Limited#	76	Zhejiang
Huzhou Hong Kong and China Gas Company Limited#	98.9	Zhejiang
Hangzhou Hong Kong and China Gas Company Limited#.	50	Zhejiang
Songyang Hong Kong and China Gas Company Limited.	51.4	Zhejiang
Chizhou Hong Kong and China Gas Company Ltd.	100	Anhui
Anqing Hong Kong and China Gas Company Limited*.	50	Anhui
Maanshan Hong Kong and China Gas Company Limited*.	50	Anhui
Huang Shan Hong Kong & China Gas Co., Ltd.	100	Anhui
Huangshan Huizhou Hong Kong and China Gas Company Limited.	100	Anhui
Huang Shan Taiping Hong Kong and China Gas Company Limited	100	Anhui
Maanshan Bowang Hong Kong and China Gas Company Limited	75.1	Anhui
Maanshan Jiangbei Hong Kong and China Gas Company Limited	100	Anhui
Wuhu Hong Kong & China Gas Company Limited.	50	Anhui
Wuhu Jiangbei Hong Kong and China Gas Company Limited	50	Anhui
Changchun Gas Company Limited	28.2	Jilin
Gongzhuling Hong Kong and China Gas Company Limited.	100	Jilin
Siping Hong Kong and China Gas Company Limited	80	Jilin
Ben Xi Hongkong and China Gas Company Limited	80	Liaoning
Chaoyang Hongkong and China Gas Company Limited.	90	Liaoning
Tie Ling Hong Kong and China Gas Company Limited	80	Liaoning
Fuxin Hongkong and China Gas Company Limited	90	Liaoning
Yingkou Hong Kong and China Gas Company Limited#.	100	Liaoning
Dalian Changxing Hong Kong and China Gas Company Limited#	100	Liaoning
Dalian DETA Hong Kong and China Gas Company Limited#	40	Liaoning
Shenyang Hong Kong and China Gas Company Limited	100	Liaoning
An Shan Hong Kong and China Gas Company Limited	100	Liaoning
Dalian Lvshun Hong Kong and China Gas Company Limited	100	Liaoning
Kazuo Hong Kong and China Gas Co., Ltd.	100	Liaoning
Beipiao Hong Kong and China Gas Company Limited	80	Liaoning
Fuxin Dali Gas Company Limited	100	Liaoning
Fuxin Xinqiu Hong Kong and China Gas Company Limited	100	Liaoning
Jianping Hong Kong and China Gas Company Limited.	80	Liaoning
大連瓦房店港華燃氣有限公司	90	Liaoning
Qiqihar Hong Kong and China Gas Company Limited	61.7	Heilongjiang
Cang Xi Hong Kong and China Gas Company Limited.	100	Sichuan
Chengdu Gas Group Corporation Ltd.	11.7	Sichuan
Da Yi Hong Kong and China Gas Company Limited	100	Sichuan
Jianyang Hong Kong and China Gas Company Limited	100	Sichuan
Lezhi Hong Kong and China Gas Company Limited.	100	Sichuan
Mei Shan Peng Shan Hong Kong and China Gas Company Limited	70	Sichuan
Peng Xi Hong Kong and China Gas Company Limited	100	Sichuan
Pingchang Hong Kong and China Gas Company Limited	90	Sichuan
Weiyuan Hong Kong and China Gas Company Limited	100	Sichuan
Yue Chi Hong Kong and China Gas Company Limited.	90	Sichuan
Zhong Jiang Hong Kong and China Gas Company Limited	100	Sichuan
Ziyang Hong Kong and China Gas Company Limited.	90	Sichuan
Mianyang Hong Kong and China Gas Company Limited.	100	Sichuan
Mianyang Heqing Towngas Company Limited.	80	Sichuan
Xin Du Hong Kong and China Gas Company Limited, Cheng Du	100	Sichuan

	<u>Equity Share</u>	<u>Location</u>
	(%)	
Xin Jin Hong Kong and China Gas Company Limited	60	Sichuan
Jiajiang Hong Kong & China Gas Company Limited	70	Sichuan
Mianzhu Hong Kong and China Gas Company Limited	80	Sichuan
Mianzhu Yuquan Hong Kong and China Gas Company Limited	80	Sichuan
Chongqing Hong Kong and China Gas Company Limited	50	Chongqing
Cangxian Hong Kong & China Gas Company Limited	90	Hebei
Mengcun Hong Kong & China Gas Company Limited	90	Hebei
Qinhuangdao Hong Kong & China Gas Company Limited	51	Hebei
Yan Shan Hong Kong & China Gas Company Limited	90	Hebei
Shijiazhuang Huabo Gas Company Limited	45	Hebei
Changting Hong Kong and China Gas Company Limited	90	Fujian
Luliang Hong Kong & China Gas Company Limited	100	Yunnan
Xingyi Hong Kong and China Gas Company Limited	70	Guizhou
Zhongxiang Hong Kong & China Gas Company Limited	100	Hubei
Jiujiang Hong Kong and China Gas Co., Ltd.	60	Jiangxi
江西昌九港華燃氣有限公司	60	Jiangxi
Fuzhou Fubei Natural Gas Co., Ltd	40	Jiangxi
Wuning Hong Kong and China Gas Company Limited	100	Jiangxi
Xiushui Hong Kong and China Gas Company Limited	60	Jiangxi
Yifeng Hong Kong and China Gas Company Limited	100	Jiangxi
Miluo Hong Kong and China Gas Company Limited	70	Hunan
Guilin Hong Kong and China Gas Company Limited	100	Guangxi
Guangxi Zhongwei Pipeline Gas Development Group Company Limited	100	Guangxi
Liuzhou Hong Kong and China Gas Company Limited	100	Guangxi
Baotou Hong Kong and China Gas Company Limited	85	VE
青島嶗山灣港華能源有限公司	60	Shandong
Anhui Province Wenery Towngas Natural Gas Company Limited	49	Anhui
Santai Ganghua Gas Co., Ltd.	100	Sicuan
Anguo Huagang Gas Co., Ltd.	49	Hebei
本溪滿族自治縣港華天然氣有限公司	100	Liaoning
Dalian Taipingwan Ganghua Gas Co., Ltd.	100	Liaoning
Damao Ganghua Gas Co., Ltd.	100	Neimenggu
Jingxian Wanneng Ganghua Gas Co., Ltd.	49	Anhui

Notes:

(1) HKCG owned 69.25 per cent. of the share capital of Towngas Smart Energy as at 31 December 2025.

* ten piped city-gas projects transferred from HKCG to Towngas Smart Energy in March 2007.

six piped city-gas projects transferred from HKCG to Towngas Smart Energy in July 2010.

Midstream projects in the PRC

HKCG has also made investments in midstream transportation projects that connect the upstream supplier and the downstream piped city-gas provider. These types of midstream investments complement downstream piped city-gas projects, thus enabling HKCG to strengthen its piped city-gas market interests in the relevant PRC regions and also provide a foothold in cities where HKCG currently does not have a presence.

As at 31 December 2025, HKCG maintained interests in 13 midstream projects. Eight of the projects are traditional midstream transportation projects, three are LNG terminal projects that supply natural gas to downstream piped city-gas provider and the other two are natural gas storage facility projects in underground salt caverns in Jintan district in order to help the Group supplement and regulate gas supplies during the peak winter period for a number of its city-gas projects in eastern China. The projects generate revenues via wholesale and charging downstream customers for each cubic metre of gas shipped from the upstream supplier.

The following table is a summary of the Group's midstream projects as at 31 December 2025:

	<u>Equity Share</u> (%)	<u>Location</u>
Midstream Projects		
HKCG Midstream Projects		
Guangdong Dapeng LNG Company Limited	3	Guangdong
Anhui Province Natural Gas Development Company Limited	20.6	Hebei
Hebei Natural Gas Company Limited	43	Hebei
Jilin Province Natural Gas Limited Company	49	Jilin
河南省中原石油天然氣管網有限公司	49	Henan
港華儲氣有限公司	39	Jiangsu
河北金建佳天然氣有限公司	20	Hebei
港華天然氣(唐山)有限公司	100	Hebei
港華儲氣(金壇)有限公司	100	Jiangsu
Towngas Smart Energy Midstream Projects		
Taian City Taigang Gas Company Limited	49	Shandong
內蒙古港億天然氣有限公司	85	Inner Mongolia
山東濟華潤昌燃氣有限公司	69.4	Shandong
內蒙古西部天然氣包北管道有限公司	30	Inner Mongolia

Upstream project in the PRC

HKCG, together with 12 project companies in the southwest region, jointly launched the project to build a shale gas liquefaction plant and gas storage facilities. Upon completion, the project will be able to cater for peak requirements for gas storage in the southwestern region. Going forward, the Group will achieve its goals to interconnect company pipeline networks in the region and provide direct supplies of regular gas from gas source locations to businesses in the vicinity.

	<u>Equity Share</u> (%)	<u>Location</u>
四川港華合縱能源有限公司	98.8	Sichuan

Water

As at 31 December 2025, HKCG held interests in four water subsidiaries, one joint venture and one associate in the PRC for residential, industrial and commercial customers. HKCG entered the water sales market in 2005 and growing consumption, coupled with tariff increases, resulted in increase in total revenue. For the year ended 31 December 2025, driven by operational synergies, the Group's water and environmental businesses maintained profitable growth and generated stable cash flow during the year, with water sales volume continuing to rise.

The following table summarises the Group's water projects in the PRC as at 31 December 2025:

	<u>Equity Share</u> (%)	<u>Location</u>
Water Projects		
Suzhou Industrial Park Qingyuan Hua Yan Water Co., Ltd ("Suzhou Project")	50	Jiangsu
Wujiang Hua Yan Water Company Limited ("Wujiang Project")	80	Jiangsu
Wuhu Hua Yan Water Company Limited ("Wuhu Project")	75	Anhui
Maanshan Hua Yan Water Company Limited ("Maanshan Project")	100	Anhui
安徽省江北華衍水務有限公司 ("Jiangbei Project")	100	Anhui
廣東佛山環境科技集團股份有限公司 ("Foshan Project")	26.7	Guangdong

The following is a summary of HKCG's water projects:

- HKCG owns a 50 per cent. stake and China-Singapore Suzhou Industrial Park Green Development Company Limited owns a 50 per cent. interest in the Suzhou Project. The project holds an exclusive right to distribute water and provide water sewage treatment within the Suzhou Industrial Park for 30 years. Current capacities are 650,000 cubic metres of water supply and 500,000 cubic metres of sewage a day.

- HKCG owns an 80 per cent. stake and the joint venture partner owns a 20 per cent. interest in the Wujiang Project, which became operational in 2005. The project holds an exclusive right to distribute water for 30 years in Wujiang City.
- HKCG owns a 75 per cent. stake and Wuhu City Investment Holding Group Company Limited owns a 25 per cent. interest in the Wuhu Project, the acquisition of which was in September 2005. The project holds an exclusive right to distribute water in Wuhu City and the surrounding villages and towns within its municipal area for 30 years.
- HKCG owns a 100 per cent. stake in the Maanshan Project, which became operational in 2012. The Maanshan Project holds an exclusive right to distribute water for 30 years in Zhengpugang New District of Maanshan City.
- HKCG owns a 100 per cent. stake in the Jiangbei Project, which became operational in 2013. The Jiangbei Project holds an exclusive right to distribute water for 30 years in the planned scope of the starting area of the Jiangbei Concentration Zone and its surrounding towns in Anhui province.
- HKCG owns a 26.7 per cent. stake and Foshan Water Industry Group Company Limited and Foshan Financial Investment Holding Company Limited together own 73.3 per cent. interest in the Foshan Project. HKCG's acquisition of the Foshan Project was completed in April 2019. This is HKCG's first water project in the Guangdong-Hong Kong-Macau Greater Bay Area ("Greater Bay Area"). The Foshan Project has nine water plants with a combined capacity of supplying 2.208 million cubic metres of water every day, covering the major areas in Foshan city and servicing a total area of 1,750 square kilometres with over 960,000 households.

Environmental Projects

Capitalising on HKCG's rich experience in sewage and solid waste treatment, Hong Kong and China Environmental Holdings Company Limited (Hua Yan Environmental) was established to coordinate the development of environmental governance businesses. As at 31 December 2025, HKCG held interests in three environmental projects in the PRC.

HKCG owns a 55 per cent. stake and China-Singapore Suzhou Industrial Park Green Development Company Limited owns a 45 per cent. interest in the Suzhou Food Waste Project. The project became operational in August 2018. The project holds an exclusive right to treat kitchen and food waste within the Suzhou Industrial Park for 30 years. Its current capacity is 450 tonnes per day.

HKCG owns a 100 per cent. stake in the Tongling Project, the acquisition of which was completed in July 2020. The project holds an exclusive right to collect, transport and treat kitchen and food waste in Tongling City for 30 years. Its current capacity is 130 tonnes per day.

	<u>Equity Share</u> (%)	<u>Location</u>
Environmental Projects		
華衍環境產業發展(蘇州)有限公司 ("Suzhou Food Waste Project")	55	Jiangsu
道勝環境產業有限公司 (<i>Note</i>)	49	Jiangsu
銅陵市隆中環保有限公司 ("Tongling Project")	100	Anhui

Note: This is an investment holding company. As at 31 December 2025, there are four projects under it, namely 江蘇大禹水務有限公司, 江蘇道勝市容環境服務有限公司, 常州武高新道勝生態有限公司 and 常州新蘇道勝生態有限公司.

Growth Business

Renewable Energy

The renewable energy industry on the Chinese mainland faced periodic adjustments in 2025, including electricity price fluctuations and the introduction of market-oriented trading policies. Despite these challenges, HKCG's integrated low-carbon business model combining photovoltaics, energy storage and electricity sales continued to gain wider traction and implementation.

As at the end of 2025, HKCG's renewable energy business covered 25 provinces, autonomous regions and municipalities, serving a stable, high-quality customer base of more than 2,000 industrial customers. New installed capacity of distributed PV increased by 500 MW during the year, with cumulative grid-connected installed capacity reaching 2.8 GW. PV power generation rose 36% to 2.48 billion kWh. Commercial and industrial energy storage contracts amounted to 1.041 million kWh, and electricity sales volume reached 8.4 billion kWh. The carbon asset management and services business expanded steadily, further highlighting the unique competitive advantage made possible by the synergy of "gas-electricity-carbon".

Building on its high-quality portfolio of 128 zero-carbon smart industrial parks, HKCG is contributing to the national dual carbon goals while achieving industry-leading economies of scale and cost advantages. This is further reinforced by greater synergies with the gas business segment through "gas-electricity complementarity, scenario sharing and customer linkage", further unlocking new market growth potential.

To increase its ability to withstand risks and maintain its long-term competitiveness, HKCG implemented two key initiatives. Firstly, HKCG further optimised its Energy as a Service ("EaaS") model. Centred on "a one-stop integrated energy solution and full-lifecycle professional operation", HKCG integrated multiple services such as green power supply, energy efficiency management, power trading and carbon asset operations to assist customers in optimising their energy consumption and achieving their low-carbon goals. Secondly, HKCG stepped up its digital and intelligent upgrades and developed an AI-powered smart energy management platform to reduce operational costs and safety risks, improving asset operational efficiency and quality, thereby continuously enhancing its operational capabilities.

To deepen its AuM strategy, the Group introduced strategic investors and launched the second and third tranches of its quasi-REITs, bringing cumulative AuM financing to RMB3.5 billion as at 31 December 2025.

Sustainable Aviation Fuel

HKCG, through its subsidiary EcoCeres, achieved significant progress in the manufacture of SAF in 2025. By focusing on innovation and market expansion as core strategies, EcoCeres continued to consolidate its position as an industry leader.

In 2025, HKCG's SAF plant in Zhangjiagang, Jiangsu Province achieved full-capacity operation and a new plant in Malaysia was commissioned in 2025. This marked the first overseas replication of EcoCeres's proprietary hydroprocessed esters and fatty acids ("HEFA") technology, validating the scalability and reliability of this technology. The opening of this new plant will more than double the total annual production capacity of renewable fuels, from 350,000 tonnes to 770,000 tonnes, consolidating EcoCeres's leading position in the SAF market. EcoCeres has also broadened its cooperation with a number of international airlines during the year, including a multi-year SAF supply agreement with British Airways, expanding its global market channels and reinforcing its brand influence.

EcoCeres is committed to advancing the development of an SAF industrial chain across the Guangdong-Hong Kong-Macao Greater Bay Area, including feedstock collection, plant construction and large-scale production, supporting the requirement that flights departing Hong Kong International Airport must use a specified proportion of SAF by 2030.

In 2002, ECO Aviation Fuel Development Limited (“EAFD”), a wholly owned subsidiary of the Guarantor, obtained a 40-year franchise with the Airport Authority Hong Kong (“HKAA”) to build and operate an aviation fuel facility, Permanent Aviation Fuel Facility (“PAFF”) to meet the aviation fuel requirements of the Hong Kong International Airport. Linked directly to the airport via submarine pipelines, the facility consists of a jetty with two berths, which can respectively accommodate tankers up to 80,000 and 50,000 tonnes at the same time, as well as a tank farm with eight mega-sized aviation fuel tanks with a total storage capacity of 264,000 cubic metres.

With the commissioning of first phase of this project at the beginning of 2010, followed by the completion of subsequent phase at the end of 2010, PAFF, designed, constructed and operated by EAFD to provide fuel for aircraft at the Hong Kong International Airport, is fully operational and currently receives, stores and supplies 100 per cent. of the aviation fuel needs of the Hong Kong International Airport. 2011 represented the first full year of operation for PAFF and its throughput amounted to more than 6.88 million cubic metres of fuel during that year. In 2025, PAFF received 7.75 million cubic metres of aviation fuel while airport uplift is 7.88 million cubic metres. EAFD maintained its ISO 14001 since 2011.

Green Methanol

HKCG has been collaborating with strategic partners to build a full integrated value chain to provide a stable supply for Asia but also ensure sustainable green fuel security to consolidate Hong Kong’s position as an international shipping hub.

The green methanol produced at HKCG’s existing plant in Ordos, Inner Mongolia Autonomous Region, supplies major Asian ports such as Shanghai, Ningbo, Dalian, Tianjin, Shenzhen and Singapore, establishing a green methanol maritime fuel supply chain that has already achieved initial scale, owing to its ISCC dual certification and stable production capacity. The plant in Inner Mongolia became the first green methanol facility to receive a product carbon footprint verification statement from TÜV SÜD in the year ended 31 December 2025.

To scale up production capacity, HKCG established a joint venture, VENEX, with Foran Energy Group Company Limited during 2025 and combined its plant in Inner Mongolia with the VENEX operation. This will bring annual production capacity up to 150,000 tonnes by 2026, with plans for a further increase to 300,000 tonnes by 2028.

Production capacity will be expanded further with the completion of a new plant in Foshan, Guangdong Province, by the end of 2027, with first phase capacity expected to reach 200,000 tonnes in 2028. By then, the combined annual production capacity of the two plants, one in the south and one in the north, will surpass 500,000 tonnes.

To expand its low-carbon footprint across land and sea, HKCG partnered with Geely Farizon’s subsidiary, Zhejiang Lvdong, to build a local methanol energy ecosystem by planning refueling infrastructure, securing fuel supply, and deploying commercial methanol vehicles across Hong Kong. At the same time, HKCG achieved a maritime milestone by supplying 200 tonnes of VENEX-produced green methanol for Hong Kong’s first simultaneous operations (SIMOPS) bunkering at Kwai Tsing Container Terminals, successfully transferring the fuel to a COSCO SHIPPING container vessel in coordination with CPN to prove a seamless end-to-end supply chain.

Hydrogen Energy

HKCG has always been committed to energy innovation, and its hydrogen business is a key strategy for moving towards a low-carbon future. With a 3,700-kilometre low-carbon gas pipeline network across Hong Kong, HKCG has a unique advantage integrating hydrogen into its existing energy system. This well-established, robust infrastructure not only ensures supply reliability but also underscores HKCG's proven expertise in safety management, operation and maintenance, as well as technology integration.

HKCG is committed to building a complete hydrogen energy ecosystem that keeps Hong Kong at the forefront of the global energy transition. Hydrogen energy has a wide range of application scenarios, and net-zero power generation has become a key strategic focus for HKCG.

HKCG launched Hong Kong's first integrated hydrogen power generator, which debuted at the multi-sports event 15th National Games, to supply green electricity to golf venue facilities, demonstrating the huge potential of hydrogen energy in temporary power supply scenarios. HKCG is also undertaking trial projects of hydrogen power generation at construction sites as an especially promising application. Unlike traditional diesel generators, hydrogen power generation produces only water, with zero emissions, zero odours and low noise, offering a cleaner and more efficient energy option for the construction industry.

During the year ended 31 December 2025, Henderson Land's Central Yards commercial development project adopted the second-generation hydrogen generator, which offers three times the power supply capacity of the first generation and is better suited to large construction sites. Powered by green hydrogen produced through its collaboration with Veolia at the Tseung Kwan O South East New Territories Landfill, the project will become Hong Kong's first construction site powered by green hydrogen, showcasing the circular use of renewable energy and setting a new benchmark for low-carbon construction and hydrogen economy development.

In terms of EV charging applications, Hong Kong's first hydrogen-powered charging system for a commercial building was officially launched in April 2026 at Towngas Headquarters in North Point. By providing additional electricity through a flexible hydrogen power solution, the building can add EV chargers to its car park without requiring major electrical infrastructure upgrades. The solution can also support the deployment of green hydrogen charging systems for users, enabling zero-carbon electricity supply.

Extended Business

HKCG, through its subsidiary, Towngas Lifestyle, offers an interconnected suite of products, services and technologies, encompassing household appliances and white goods, home renovation packages and smart technology solutions (including smart meters deployed in elderly care homes). Through this service-driven household lifestyle model, Towngas Lifestyle has experienced significant growth and has developed into a lifestyle platform, serving approximately 46 million users across Hong Kong and the Chinese Mainland as at 31 December 2025.

HKCG's smart kitchen business capitalised on mainland trade-in subsidy policies to strengthen its market position through product upgrades, expanded sales channels and new co-branded products with leading brands, resulting in an 18% year-on-year increase in trade-in programme sales for the year ended 31 December 2025.

HKCG's insurance business, through its subsidiary TN Insurance Consultants Limited, acts as an upstream provider to related businesses across HKCG, enabling the Group to secure more favourable insurance terms. The mainland insurance business also achieved stable growth through digital transformation and product optimisation. Gas-related household property insurance policies increased by nearly 19% for the year ended 31 December 2025, while the introduction of an innovative "insurance + service" model and enhanced in-house capabilities strengthened HKCG's competitive position and relationships with insurers.

Towngas Lifestyle continued to refine its “appliance + platform + service” one-stop home safety solutions, building an IoT smart alarm product ecosystem that covers all scenarios and the full value chain, including smart fire protection series which relies on the AIoT platform to achieve smart monitoring and proactive alerts.

The following tables summarise the Group’s Growth Business companies in the PRC as at 31 December 2025:

	Equity Share (%)	Location
Renewable Energy		
Ningbo Gangkun New Energy Technology Co., Ltd.	100	Zhejiang
港華(深圳)綠電有限公司	100	Guangdong
濟寧港華智慧能源有限公司	100	Shandong
寧波聯闊新能源有限公司	100	Zhejiang
青島市萊西港能清潔能源有限公司	100	Shandong
陝西港華建能電力工程有限公司	100	Shaanxi
瀋陽港能投智慧能源科技有限公司	100	Liaoning
天津濱海空保港能投新能源有限公司	100	Tianjin
濰坊港能投清潔能源有限公司	100	Shandong
宜興環興新能源有限公司	100	Jiangsu
Sustainable Aviation Fuel		
易高生物化工科技(張家港)有限公司	42.3	Jiangsu
Green Methanol		
臻新綠源科技(佛山)有限公司	100	Guangdong
Extended Businesses		
長春名氣家生活服務有限公司	45	Jilin
武漢能源服務有限公司	45	Hubei
佛山維思智慧能源技術有限公司	10	Guangdong
蕪湖名氣家生活科技有限公司	50	Anhui
港華紫荊農莊(句容)有限公司	78.4	Jiangsu
銅陵名氣家生活科技有限公司	70	Anhui
港華名氣家信息(深圳)有限公司	100	Guangdong
上海安國保險經紀有限公司	100	Shanghai
北京匡豐信息技術有限公司	100	Beijing
名氣家投資有限公司	100	Jiangsu
卓銳智高(武漢)科技有限公司	100	Hubei
名氣家(蘇州)數字科技有限公司	100	Jiangsu

Other Businesses

Property Business

HKCG owns the commercial area of the Grand Waterfront project at Ma Tau Kok, which is approximately 150,000 square feet. Rental of the commercial area started in the second half of 2007. As at 31 December 2025, over 90 per cent. of the 150,000 square feet space had been leased by retail tenants and the leasing prospect remains positive following the economic recovery. HKCG also owns approximately 300 parking spaces at Grand Waterfront, which generate recurring rental income.

HKCG has approximately 15.8 per cent. interest in the company that owns 100 per cent. of the IFC complex. The high-end shopping mall and office towers of the IFC, located near the waterfront in Central, Hong Kong, were substantially leased as at 31 December 2025.

Telecommunications

HKCG’s wholly owned subsidiary, Towngas Telecommunications Company Limited (“TGT”), is one of the Hong Kong’s premier fixed telecommunications network operators. As a carrier-neutral telecommunications service provider, by leveraging on Glass-In-Gas (“GIG”) and Glass Along-Gas (“GAG”) technology, TGT has created a fibre network providing high-end telecommunication infrastructure services and quality network solutions and built telecommunications duct in Liaoning, Jiangsu, and Shandong in the mainland China, offering substantial synergies and economies of scale for

telecommunication carriers, service providers and large corporations. TGT cooperates with local gas supplier to further apply GIG technology in the mainland China. In addition, TGT has been providing block wiring services to numerous development projects, including residential and commercial buildings.

TGT has three core businesses, network connectivity, data centre and cloud computing. TGT has expanded HKCG business in the mainland China since 2007 and has now founded 18 projects in Hong Kong and mainland China. HKCG has established seven networked data centres in Hong Kong, Beijing, Jinan, Dalian, Dongguan and Harbin, which are designed to accommodate up to 17,600 server racks. With the combination of professional data management and effective network communication service, each data centre can be a backup for each other. TGT data centres meet TIA 942 Rated 3+ international standard and have obtained several international standard certifications, such as CSA Star, ISO 9001, ISO14001, ISO 20000 and ISO 27001.

By integrating reliable and high-speed connectivity with advantages such as outstanding infrastructure, TGT is embracing the opportunities brought by “big data era”, “5G wireless network” and “the Internet of Things” by enhancing its advanced fibre-optic network and maximising usage of its networked data centres and cloud platform, so as to meet the growing demand for telecommunications services as well as data analysis and storage.

The following table summarises the Group’s telecom projects in the PRC as at 31 December 2025:

	<u>Equity Share</u> (%)	<u>Location</u>
Telecom Projects		
Towngas Telecommunications (Shenzhen) Company Limited	100	Shenzhen
Towngas Telecom (Shandong) Company Limited	90.1	Shandong
Towngas Chibo Data Service (Jinan) Co., Ltd.	93.6	Jinan
Towngas DETA Telecom (Dalian) Co., Ltd.	49	Dalian
TGT Data Services (Dalian) Co., Ltd.	100	Dalian
Towngas Telecom (Laiyang) Co., Ltd.	90	Laiyang
Towngas Telecom (Fengxian) Co., Ltd.	100	Fengxian
Towngas Telecom (Peixian) Co., Ltd.	100	Peixian
TGT China Cloud Data Services (Harbin) Co., Ltd.	92.2	Harbin
TGT Data Services (Dongguan) Co., Ltd.	82	Dongguan
TGT Network Services (Shenzhen) Co., Ltd.	100	Shenzhen
CEInet TGT Network Technology (Beijing) Co., Ltd.	49	Beijing
Beijing Chibo TGT Data Services Co., Ltd.	100	Beijing
Ying Tong TGT Network Services (Shenzhen) Co. Ltd.	49	Shenzhen
Shenzhen Internet Exchange Co., Ltd.	30	Shenzhen

Engineering

HKCG’s wholly owned subsidiary U-Tech is an integrated utility contractor for water, drainage, sewage, electricity and telecommunications pipeline projects. U-Tech began Hong Kong operations in 1998 and contributes a small portion to HKCG’s total revenue.

U-Tech employs “trenchless” technology to carry out many pipeline construction projects without the need to excavate long trenches in roads. This process ensures minimal disturbance to the environment and reduces the inconvenience caused to the general public. Having built a niche as a successful participant in the “trenchless” technology market, U-Tech has been extending this specialist knowledge to a number of leading utilities and property developers throughout Hong Kong.

U-Tech has completed a number of contracts for the replacement and rehabilitation of water mains and construction of water service reservoirs for the Water Supplies Department. Further, U-Tech has also carried out several government cooling water mains rehabilitation projects. U-Tech also provided consultancy services to third parties. In 2008, U-Tech provided consultancy services in the operations and maintenance systems to an upstream natural gas transmission company in Macau. In September 2018, U-Tech was placed on the “Group C” Waterworks Contractor List under the Development Bureau of Hong Kong. This launched a whole new era for U-Tech, as it was qualified to tender for any water

works contracts of unlimited value and thus could undertake the most complex, mega-scale water projects in Hong Kong. In 2018, U-Tech gained a new contract for construction of a fresh water service reservoir and the associated water mains in Fanling for the Water Supplies Department and the works are in progress. Furthermore, in 2021, U-Tech was also promoted to the “Group B” Roads & Drainage Contractor List under the Development Bureau of Hong Kong. This qualifies U-Tech to undertake roads and drainage related projects of a value up to HK\$400 million, thus expanding U-Tech’s scope of work for the local government.

Manufacturing

GH-Fusion Corporation Limited was formed in 2000 to manufacture and supply polyethylene (“PE”) pipe fitting products and jointing equipment for gas and water piping systems. In September 2012, broadening the product scope and offering a total solutions package to customers, G-Tech Piping System Company Limited, the Group’s wholly owned subsidiary, was established to manufacture quality PE piping. In addition to providing HKCG with a supply of PE piping, the ability to manufacture and supply PE piping within the Group ensures that the PE piping supplied would meet the standards of safety and quality required by HKCG. G-Tech Piping Technologies Limited was formed in 2012 to extend the PE material supply to PE pipes produced in the two production plants in China.

Extending this strategy, M-Tech Metering Solutions Company Limited was established in 2011 to develop and manufacture advanced electronic gas metres, using the Micro-Electro-Mechanical System (“MEMS”) gas mass-flow measurement technology. In 2017, M-Tech developed and launched an advanced small-scale commercial metre with MEMS technology to provide more options for gas users. This metre incorporates a Near Field Communication payment capability as well as smart metering functions for the compilation of tier tariffs in the PRC. Committed to customer satisfaction, M-Tech continues to develop smart metres for residential applications.

International Upstream Oil Project

HKCG’s first overseas on-shore oilfield project was added to its energy resource portfolio in 2012. HKCG acquired a 60 per cent. effective stake in an onshore oil exploration and production project in Thailand. The acquired Blocks L33/43 and L44/43 are situated approximately 250 km north of Bangkok. The offtake from the blocks have been contracted with PTT Public Company Limited at formula-driven prices linked to the price of Platts Singapore Product Oil. Concession for Blocks L33/34 and L44/43 are expiring by July 2032, and with an option to extend such concession rights by an additional ten years.

The following map illustrates the geographic locations of the Group's businesses as at 31 December 2025:



Suppliers and Customers

Suppliers

HKCG's principal supplies are natural gas and naphtha, the two feedstocks used in the production of town gas. During the year ended 31 December 2025, in Hong Kong, HKCG purchased 100 per cent. of its natural gas from Guangdong Dapeng and another supplier. Natural gas accounts for approximately 60 per cent. of HKCG's total feedstock requirements. HKCG purchased 100 per cent. of its naphtha from several suppliers from Southeast Asian countries and Australia.

Natural Gas

HKCG signed a 25-year agreement with its natural gas supplier, Guangdong Dapeng, in 2004 on favourable terms relative to world prices. All of HKCG's natural gas for its Hong Kong operations is supplied from Guangdong Dapeng and another supplier which supply approximately 60 per cent. of HKCG's feedstock requirements. However, the use of dual feedstocks means HKCG's town gas production facilities can switch to naphtha if natural gas supply problems occur. See *"Gas Business – Piped City-Gas Business in Hong Kong – Gas Processing"* and *"Risk Factors – Risks Relating to HKCG's Business – Due to the "take-or-pay" nature of HKCG's natural gas purchase contracts for its piped city-gas business, HKCG could be exposed to imbalances between the supply of natural gas by its suppliers and the purchase of gas by its customers"*.

In the PRC, HKCG sources its gas requirements primarily from large upstream oil and gas production companies. Demand for raw materials in the PRC is high, and HKCG is seeking new means to increase its supply by formalising arrangements with large upstream suppliers as well as investing in upstream projects. HKCG has also signed a 15 billion m³ (1.5 billion m³/year) pipeline gas long-term agreement with three state-owned oil and gas majors, securing long-term supply of pipeline gas to HKCG's PRC operation.

Naphtha

Naphtha is the other principal feedstock in town gas, and HKCG has term contracts with several suppliers from Southeast Asian countries and Australia. Naphtha is generally more expensive than natural gas, and HKCG's contracts are correspondingly priced subject to market price fluctuations and the quantity purchased. The contracts typically have a minimum purchase requirement.

Customers

As at 31 December 2025, in Hong Kong, HKCG was serving approximately 2.06 million piped city-gas customers, an increase of 0.95 per cent. from approximately 2.04 million as at 31 December 2024. As at 31 December 2025, in the PRC, the Group, including Towngas Smart Energy, was serving approximately 44.3 million piped city-gas customers, an increase of 4.19 per cent. from approximately 42.5 million as at 31 December 2024.

Gas sales by volume from HKCG in the PRC were approximately 57 per cent. to commercial and industrial customers, and approximately 22 per cent. to residential customers, and approximately 21 per cent. to wholesale and power plant customers for the year ended 31 December 2025.

HKCG's gas sales by volume in Hong Kong were approximately 54 per cent. to residential customers and approximately 46 per cent. to commercial and industrial customers for the year ended 31 December 2025.

Operational and Information Systems

To effectively operate its underground pipeline network in Hong Kong, HKCG established a control centre that is manned 24 hours a day. In addition, HKCG currently utilises a Supervisory Control and Data Acquisition ("SCADA") system for real-time monitoring of its more than 4,000 real-time telemetry and data points across its network and all its strategic pressure-regulating stations. The SCADA system

runs on active-standby configuration to provide non-stop operation. Reliability is further enhanced by a third identical server in a remote backup centre. HKCG also uses the Geographic Information System (“GIS”) to computerise the records of the piped city-gas supply network. With the SCADA and GIS tools, the control centre can monitor and coordinate all the activities on the underground pipeline network to ensure a high level of gas supply reliability. These monitoring systems together with HKCG’s experience in network control are implemented in the PRC projects to improve their operational efficiency as well as the quality of services delivered to their customers.

HKCG’s information technology (“IT”) applications platform consists of three critical systems and a number of core business support systems. The three critical systems include an Enterprise Resource Planning system, a SAP-based Customer Consumption Management System and a Siebel-based Customer Relationship Management System. The core business support systems include a suite of Business Intelligence tools, Project and Work Management systems, Call Centre systems and various mobility applications. HKCG’s IT systems are integrated to streamline data flow among business processes and accommodate its business environment and needs. HKCG also maintains critical systems in a backup facility to reduce the impact to operations caused by IT system interruptions. The backup facility is synchronised real-time on dedicated connections with the operating site available for immediate engagement. To proactively prevent potential safety hazards, HKCG’s renewable energy business leverages AI agents for safety management. Through IoT monitoring points and high-definition cameras, it enables reliable early warnings for risks such as fires and equipment abnormalities.

In 2013, in order to address integration challenges associated business growth as well as increased diversity of computer systems used by different business ventures, HKCG launched the ‘Towngas Management System’ to create a common platform for the different computer systems to share information, create linkages and facilitate inter system communication.

Competition

HKCG’s core business in Hong Kong is downstream piped city-gas supply to residential, commercial and industrial customers. HKCG has an approximately 74 per cent. penetration rate to Hong Kong households, and HKCG believes that its pipelines are within easy connection reach of approximately more than 85 per cent. of Hong Kong’s households. As the barriers to entering the piped city-gas market are burdensome, including heavy initial expenditure and governmental approvals for infrastructure construction, HKCG does not anticipate direct competition in the downstream piped city-gas business in Hong Kong. However, HKCG does face competition in the wider energy market, especially from electrical power companies, LPG and diesel fuel, biofuel and other renewable energy suppliers.

HKCG’s core business in the PRC is downstream piped city-gas supply to residential, commercial and industrial customers, and HKCG has also developed midstream and upstream projects via joint ventures. See “*Gas Business – PRC Gas Projects*”. Within most areas where HKCG operates, the project possesses exclusive rights for gas distribution for a term of 30 years, and therefore there is no direct competition in those areas. However, HKCG does face competition in the wider energy market, especially from suppliers of LPG, diesel, coal and electricity, and potentially piped city-gas and in areas where exclusive rights have not been secured.

Environmental Matters and Safety

HKCG’s operations are subject to environmental laws and regulations covering air pollution, noise pollution, water pollution and the administration of hazardous substances. HKCG has environmental management systems in place to monitor its environmental performance and believes that it is in compliance with all applicable environmental laws and regulations. The Tai Po plant has earned the ISO 14001 certification in respect of environmental protection.

In respect of safety, HKCG strives for continuous improvement in its safety performance for its employees, contractors, customers and the public. Its management systems are certified to ISO 45001 (occupational health and safety), ISO55001 (Asset Management) and International Safe Workplace

Programme (ISWP), and customers benefit from its well-established safety measures. Under HKCG's regular safety inspection programme, Towngas technicians initiate checks on piping and gas metres, as well as relevant appliances in customer premises, at least once every 18 months. Ensuring a regular and systematic service approach to gas safety has helped to reduce gas leakage incidents in HKCG's areas of operation. See *"Risk Factors – Risks Relating to HKCG's Business – HKCG's non-compliance with environmental regulations, including those to be implemented in the future, in Hong Kong, the PRC and Thailand may result in material adverse effects on its results of operations"*.

Environment

At HKCG, environmental considerations are central to the decision-making and management processes. The environmental performance and initiatives are overseen by the Environmental, Social and Governance (ESG) Committee which is headed by the Independent Non-executive Director Professor Anna Wong Wai-kwan appointed by the Board, with the support of the ESG Steering Committee and Group ESG Department to arrange environmental programmes and implement the environmental management system.

HKCG has been investing in technologies and businesses that reduce negative environmental impact and fight against climate change. HKCG has been strengthening its climate change resilience through climate risk assessments, scenario analysis and the integration of climate considerations into business planning, asset management and operational decision-making.

HKCG is committed to reducing greenhouse gas (GHG) emissions and achieving carbon neutrality by 2050 through energy transition and innovation. HKCG has significantly reduced its carbon footprint through initiatives such as increasing the use of biogas and natural gas in town gas production, replacing conventional fossil fuels with biofuels, and adopting renewable energy and energy-efficient technologies. HKCG also actively manages methane leakage through regular inspections, advanced leak detection technologies, including high-precision methane detectors and laser-based monitoring systems, as well as smart meters that help identify potential leakage risks.

Beyond its own operations, HKCG provides customers with reliable, affordable and sustainable energy solutions. HKCG is advancing the application of low-carbon energy across the sea, land and aviation sectors, including green methanol, hydrogen and sustainable aviation fuel, while promoting distributed photovoltaic systems and energy efficiency improvement projects. HKCG also works closely with suppliers to strengthen climate resilience across the value chain by encouraging the disclosure of GHG emissions data and supporting their decarbonisation journey. In 2024, HKCG partnered with HSBC to launch the Towngas Green Supply Chain Finance Programme, becoming the first public utility in Greater China to offer a sustainability-linked supplier payment solution. HKCG respects nature and is committed to biodiversity conservation, resource circularity and environmental stewardship. For energy management across both its operations and customer applications, HKCG's key initiatives include green building management, photovoltaic systems for on-site renewable electricity generation, waste heat utilisation, as well as the provision of high-efficiency gas appliances and energy management advice to customers.

HKCG's approach to waste management is underpinned by the "5R" principle-Replace, Reduce, Reuse, Recover and Recycle and has received the Wastewi\$e Certificate at Excellence Level for 24 consecutive years. The Used Gas Appliance Recycling Programme was launched in 2003 to collect used appliances from customers for metal recycling. The revenue raised was used to fund further environmental friendly practices and educational activities.

Being a responsible public utility company, HKCG responsibility is not limited to its own operations. HKCG also promotes environmental awareness amongst its stakeholders through various communication channels and engagement initiatives, including its corporate website, social media platforms and public education campaigns. A great variety of activities such as seminars, tours and workshops were organised among its employees and contractors, customers, students and the wider community. HKCG also

supports activities organised by non-governmental organisations which support green initiatives both in Hong Kong and in the PRC to further extend the message to the public. These activities include the Green Earth's five-year Plantation Enrichment Project, the World Wide Fund's Earth Hour initiative, and more.

These efforts are widely recognised. HKCG has attained the highest AAA rating in the Hang Seng Corporate Sustainability Index, and consistently achieved strong performance across various international ESG ratings. In addition, HKCG receives numerous awards each year, honouring its outstanding ESG achievements and the strong standards it upholds. These recognitions come from internationally recognised governments, renowned organisations, non-profit institutions, trade associations, media outlets, and other key stakeholders.

Safety

Safety is a core value of HKCG and an integral part of HKCG's governance, risk management and operational excellence framework. HKCG maintains certified management systems for occupational health and safety in accordance with legal requirement, ISO 45001, ISO55001 and International Safe Workplace Programme (ISWP), supported by comprehensive policies, standards and management programmes that promote continual improvement in health, safety and environmental (HSE) performance and support the Group's aspiration towards "Vision Zero". HKCG has successfully upgraded to ISO 45001 certification for occupational safety and health management of its gas production, gas transportation and gas utilisation. HKCG's asset management system for its gas production plants, transmission and distribution network has been certified with ISO 55001 since 2014.

The Group Safety and Environmental Management Department (GSEMD), situated in HKCG's head office in Hong Kong, holds both advisory and monitoring roles and responsibilities in all matters in relation to health, safety and environment within the Group. It provides professional support to assist the PRC project companies in developing and implementing proactive safety and risk management programmes, aimed at reducing the risk level of all production operations to an acceptable level. These programmes include, but are not limited to, carrying out regular safety inspections of all project companies to identify safety deficiencies, providing safety training to front-line employees to cultivate their safety culture and to enhance their safety awareness.

Strong leadership commitment and accountability underpin HKCG's approach to safety management. Safety performance is monitored through established governance mechanisms, management reviews, audits and key performance indicators, and is integrated into business planning and operational decision-making processes.

HKCG has launched a "General Manager Monthly Safety and Risk Management Programme", which ensures the direct commitment of the most senior members of management. Senior management regularly participates in site visits, safety inspections and workforce engagement activities to verify the effectiveness of risk controls, reinforce leadership accountability and promote a proactive safety culture across the Group. Through risk-based management, continuous learning and active employee participation, HKCG strives to prevent work-related injuries and illnesses while enhancing operational safety, resilience and sustainable performance.

HKCG continually strengthens its emergency preparedness and crisis management capabilities through robust communication, contingency planning and coordinated response arrangements. Operational teams are equipped with advanced digital technologies, including AI-enabled drones, mobile cloud platforms and intelligent diagnostic systems powered by large language models, to support situational awareness, informed decision-making and rapid response during emergency situations. HKCG continues to implement a number of measures to enhance safety. The first of these is the strengthening of HKCG's communications and contingency management in the event of an emergency. Supporting onsite requirements, HKCG's emergency operation vehicles carry the most up-to-date information on its underground pipeline locations throughout Hong Kong and are equipped with computers to enable onsite

staff to locate information immediately as required. An emergency logging system has greatly improved emergency communications with the intelligent tracking of emergency reports and follow-up actions, while the implementation of a second generation geographic information system, with more detailed mapping information, has greatly enhanced network safety and operational efficiencies. The Company adopts a structured Incident Reporting and Crisis Management Framework that classifies incidents according to defined escalation levels and response requirements. The framework covers a wide range of operational and business continuity risks, including gas incidents, infectious disease outbreaks and extreme weather events, ensuring timely escalation and coordinated response across the organisation, while keeping disruptions to the public to a minimum. Regular training exercises and drills on crisis management are conducted for staff to strengthen emergency preparedness. HKCG also conducts regular table-top exercises to further enhance its management team's ability to handle emergency situations. Recognising the increasing impacts of climate change, HKCG regularly reviews and enhances the resilience of its critical infrastructure through extreme weather response planning and the deployment of appropriate physical protection measures at key facilities. Additionally, HKCG has a robust Corporate Crisis Management Plan in place, with a three-tiered approach for recovering from an emergency situation in a timely and effective manner, while ensuring disruptions to the public are kept to a minimum.

Beyond physical safety, HKCG is committed to promoting employee wellbeing and cultivating a positive safety culture. Drawing on recognised occupational health and psychological wellbeing principles, the Group implements initiatives that support employees' environmental, physical, social, financial and mental wellbeing under the "Towngas Wellbeing 5 Pillars" framework. Through wellness programmes, health promotion activities, stress management initiatives and employee engagement efforts, HKCG fosters a healthy and supportive workplace that contributes to individual wellbeing and organisational resilience. Safety climate assessments are conducted periodically to measure employee perceptions and identify opportunities for continuous improvement.

As a provider of critical energy infrastructure, HKCG maintains a comprehensive security management framework to protect its people, facilities and operational assets. Security operations are supported by trained personnel, CCTV surveillance, access control and other protective systems. The Company maintains contingency plans for security incidents, including terrorist threats, and conducts regular drills to strengthen preparedness. Through robust security administration and close collaboration with operational, engineering and crisis management teams, HKCG continuously enhances the protection of its critical facilities and supports the safe and reliable delivery of energy services.

HKCG continuously monitors and manages its gas production, transmission and distribution assets to identify potential hazards, mitigate risks, maintain asset integrity and enhance network reliability. Besides, HKCG continuously monitors the facilities in order to identify potential hazards and mitigate risks while looking for ways to make improvements. From the 24-hour Grid Control Centre at North Point headquarters in Hong Kong, HKCG is able to monitor its network in real time. Despite the fact that HKCG's operations and appliances meet stringent international standards, HKCG continues to make every effort to enhance its safety procedures. HKCG's pipes are checked rigorously from once to six times a year to determine their condition and check for leaks. Through risk-based inspection and maintenance programmes, advanced monitoring technologies and real-time operational oversight, HKCG strives to minimise operational risks and ensure the safe and reliable delivery of gas services to customers.

Under HKCG's regular safety inspection programme, Towngas technicians conduct checks on piping, gas meters and relevant appliances in customer premises at least once every 18 months. HKCG also inspects in-home pipes at least every 18 months. In addition to checking pipe conditions within customer premises, these inspections help to identify appliances in need of maintenance or repair. Customers are also encouraged to upgrade their appliances if their current equipment is out of date.

These regular inspections were expanded in 2008, when they were extended to cover the supply pipes of HKCG's commercial customers as well. This regular and systematic approach to gas safety has helped reduce gas leakage incidents in HKCG's areas of operation.

In addition to safety measures in Hong Kong, HKCG has a strong safety commitment in the PRC as well. In the PRC, HKCG carries out regular safety inspections, checking not only the condition of gas pipes and installations but also the gas appliances used. As potential risks are immediately addressed, HKCG has been able to significantly reduce the number of gas incidents.

Internally, HKCG makes every effort to imbue a safety mind-set not only among its employees but also among its partners and contractors. Group Safety Committee Meetings are also held at the senior management level. In addition to addressing any potential safety issues which may arise, members of the Group Safety Committee carry out inspections in person to ensure that safety levels are being met.

As a leading energy supplier in Hong Kong and mainland China, HKCG connects with outside community groups as part of its advocacy of health and safety. On the other hand, as a public utility, HKCG works closely with the government authorities, industry bodies, professional organisations, contractors and community stakeholders to promote best practices in health and safety. Through knowledge sharing, collaboration and continuous engagement, HKCG contributes to the advancement of safety standards across the energy sector to formulate strategic plans, such as a facilities utilisation framework and preventive maintenance index, to ensure optimal safety by sharing the safety experience and standards with corporations, contractors and professional organisations.

An emergency logging system has greatly improved emergency communications with the intelligent tracking of emergency reports and follow up action; and the implementation of a second generation geographic information system, means that with more detailed mapping information, network safety and operational efficiencies are greatly enhanced. In parallel, contractor management programmes and performance-based initiatives are implemented to promote excellence in safety, quality and environmental performance throughout the supply chain. Driving this culture of safety among the contractors, HKCG has launched an incentive scheme to enhance safety, quality and environmental protection performance in its new pipe laying contracts.

Safety Innovations

Innovation, technology and digitalisation continue to play an important role in strengthening HKCG's safety performance, asset integrity and operational resilience.

The Towngas Operation Platform (TOP) — the first group-level intelligent asset management and integrated production system cloud platform within the gas industry on the Chinese mainland — provides digital capabilities including data integration, risk assessment and emergency response. This year, TOP has been applied in hundreds of enterprises and connected to IoT monitoring points, and providing comprehensive digital solutions for operations, safety and risk management.

The Group has also integrated AI smart diagnostic functions into its proprietary operational platform to monitor the operating status of key facilities, such as flow meters and pressure regulators, and to identify abnormal signals in advance. This represents a paradigm shift in safety management, from post-incident emergency response to proactive preventive maintenance, effectively reducing operational risks.

Moreover, HKCG has developed the AI-enabled Safety Management Platform. The platform integrates multiple safety management functions, including the Smart Inspection System, Safety Knowledge Base, Safety Q&A Platform, HSE Document Review System and HSE Risk Register. Supported by AI and advanced data analytics, the AI Safety platform enhances hazard identification, risk management, knowledge sharing and safety governance across the Group. The AI-powered Smart Inspection System applies image recognition and data analytics to support hazard identification, risk assessment and inspection reporting, while intelligent monitoring tools analyse safety information, regulatory

developments, incident case studies and weather alerts to facilitate proactive risk management and informed decision-making. Innovation is also applied to field operations through robotics, drones, automated guided vehicles and smart lifting equipment, reducing manual handling risks and personnel exposure to higher-risk activities.

To foster continuous improvement, HKCG supports employee-led safety innovation initiatives and promotes the sharing of successful technologies and best practices across the Group. Digital platforms further enhance hazard reporting, employee engagement and collaboration, helping to build a proactive, innovative and technology-enabled safety culture.

In addition to safety measures in Hong Kong, HKCG has strong safety commitment in the PRC as well. In the PRC, HKCG carries out regular safety inspections, checking not only on the condition of gas pipes and installations but also the gas appliances used. As potential risks are immediately addressed, HKCG has been able to significantly reduce the number of gas incidents.

Internally, HKCG makes every effort to imbue a safety mind-set not only among the employees but also the partners and contractors. Group Safety Committee Meetings are also held every month at the senior management level. In addition to addressing any potential safety issues which may arise, members of the Group Safety Committee will carry out inspections in person to ensure that safety levels are being met.

HKCG has launched a “General Manager Monthly Safety and Risk Management Programme”, which ensures the direct commitment of the most senior members of management. HKCG’s sophisticated network monitoring “Supervisory Control and Data Acquisition System”, implemented in more than 30 project companies, continues to improve network safety. The effectiveness of this system is such that it is increasingly being adopted by other gas companies in the PRC.

HKCG also implemented a number of “Key Management Focus” projects addressing safety and risk to further improve the safety performance while the safety audit scoring system received a boost with the implementation of “Five Star+ Safety and Risk Management Audit Programme”.

The Corporate Sustainability Department (“CSD”), situated in HKCG’s head office in Hong Kong, holds both advisory and monitoring roles and responsibilities in all matters in relation to health, safety and environment (“HSE”) within the Group. It provides professional support to assist the PRC project companies in developing and implementing proactive safety and risk management programmes, aiming at reducing the risk level of all production operations to an acceptable level. These programmes include, but are not limited to, carrying out regular safety inspections of all project companies to identify safety deficiencies, providing safety training to the front-line employees to cultivate their safety culture and to enhance their safety awareness.

Litigation

Although HKCG may, from time to time, be involved in litigation and claims arising out of its operations in the normal course of business, HKCG is not currently a party to any material legal proceedings out of the ordinary course of business. In addition, HKCG is not aware of any material legal or governmental proceedings against it, or contemplated to be brought against it, under any environmental statute or regulation to which HKCG is subject.

Insurance

HKCG’s insurance programme covers not only the types of insurance required by law but also covers insurance protecting HKCG’s assets and legal liability arising from its business operation, in amounts which management believes are reasonable and appropriate. Types of insurance taken out by HKCG include but are not limited to Property All Risk, Business Interruption, Public Liability, Employees’ Compensation, Motor, Directors & Officers Liability Insurance. See “*Risk Factors – Risks Relating to HKCG’s Business – HKCG’s operations are subject to the risks, some of which may not be fully covered by insurance, of equipment and systems failure, accidents, interruptions and terrorism*”.

Employees

The following table shows the number of HKCG's employees, including subsidiaries, as at 31 December 2023, 2024 and 2025:

	As at 31 December		
	2023	2024	2025
Hong Kong			
Management Staff	44	33	38
General Staff	2,272	2,346	2,306
Workmen	263	244	217
Hong Kong Total	2,579	2,623	2,561
Outside Hong Kong			
Outside Hong Kong Total	53,861	53,773	52,445
Total	56,440	56,396	55,006

As at 31 December 2025, including its subsidiaries but not joint ventures or associates, HKCG employed a total of 55,006 employees, comprising 52,445 employees outside Hong Kong and 2,561 employees in Hong Kong.

Total remuneration for employees, including its subsidiaries but not joint ventures or associates, amounted to HK\$4,215.7 million for the year ended 31 December 2025, an increase of HK\$115.7 million as compared to year ended 31 December 2024.

HKCG's aim is to develop a quality work environment that will attract, encourage and retain quality people within the organisation. HKCG also aims for its employees to match HKCG's commitment to provide safe and reliable gas services as efficiently and with as much care as possible and for its employees to continue to work towards the preservation and conservation of the environment in every aspect of their activities. Therefore, HKCG has a merit-based recruitment policy and is committed to hiring employees with the skills and knowledge to undertake their responsibilities.

Training

HKCG provides comprehensive programmes of on-going job education and training, including formal courses at external training centres and in-house training as well as on-the-job training.

The Towngas Training Institute (TTI) was established in 2009, operating a training centre in North Point, Hong Kong and opened the Shandong Training Institute in Chinese Mainland, to nurture a highly skilled pool of professional talents for Towngas both in Hong Kong and Chinese Mainland, including HKCG's partner associates. TTI continues to develop and implement curricula including energy knowledge, technical and cultural training for building professional competence of frontline staff and engineering personnel within the Group. Besides internal and vocational training, in recent years, TTI has extended programs to the teenage public aims at arousing youngsters' interest towards the energy industry.

HKCG believes its reputation for high quality service is spreading rapidly in the PRC as its project companies learn from global practises and gain a view of what other successful companies are doing in their quality control activities around the world. HKCG's training activities have been successful in the PRC, with management and employees showing enthusiasm to learn from the best practises and the latest industry developments.

Employee Safety

Hong Kong

HKCG aims for a record of zero accidents and fully complies with all relevant health and safety legislation, as well as committed to protecting its staff and contractors against health and safety risks from its operations. This commitment and approach to safety management are clearly outlined in HKCG's Health and Safety Policy.

HKCG continues to expand its communications, training and other promotional activities. HKCG works to ensure the physical and mental health of every member within the Group, and therefore, HKCG has established a friendly, supportive and stress-free work environment. Apart from a range of leading employee welfare programmes, HKCG provided free clinical medical services, fitness facilities and a mother care room in its North Point headquarters. To safeguard the health of employees and their immediate family members, HKCG has been offering multiple support schemes, including a group medical insurance plan, a voluntary dental scheme, subsidised seasonal influenza vaccinations, and in-house clinic services. HKCG also provides additional paid leave for eligible employees who need to take care of seriously ill family members. HKCG continues to organise a variety of activities to holistically support employees' physical and mental well-being, as well as to promote work-life balance. In 2025, HKCG launched a series of activities such as the "Towngas Sports & Recreation Club 7-a-side Football Tournament", the "Turnip Cake with XO Sauce" creative cooking class, and the "Golf Experience Day", enriching the leisure lives of employees.

Driving a culture of safety and improving emergency procedures internally, HKCG held table-top exercises and a number of joint fire exercises with the Fire Services Department for personnel from Hong Kong and the PRC. These exercises helped ensure that HKCG's emergency response team and safety and risk management personnel would work smoothly with government authorities and external parties.

HKCG strives to develop safety culture to strengthen safety management system. In Hong Kong, Group Safety and Environmental Management Department (GSEMD) is responsible for organising various Health, Safety & Environment programme and activities for colleagues and contractors. GSEMD develop safety management system fulfilling the requirement of Factories and Industrial Undertaking (Safety Management) Regulation and ISO45001 Occupational Health and Safety Management System. In addition, GSEMD conducted a number of occupational safety and health ("OSH") training sessions, environmental awareness talks and professional and general safety and health training for employees.

Apart from developing and maintaining comprehensive safety management system, GSEMD organises a number of programmes and activities promoting safety culture. "General Manager Regular HSE Inspection Programme" is in place to ensure leadership and the commitment of management, with the senior management of HKCG conducting HSE inspection to workplaces regularly to ensure compliance and continual improvement. In order to enhance the reporting culture, "HSE Suggestion Scheme" and "Near Miss Reporting Programme" were developed for employees and contractors to report good practises, near-miss cases and others to further improve the health and safety of workplaces.

"Environmental, Social, and Governance (ESG) Bulletin" is issued in every quarter to provide updated knowledge and news about latest ESG issues to employees and contractors. To enhance HSE culture, GSEMD organises HSE Day, HSE Month, HSE Quiz, HSE Walk, Contractor OSH programme and quarterly OSH promotion campaign regularly.

HKCG pursues for adopting new technology to ensure its facilities are safe and operating properly, in keeping with its philosophy of "Growth = innovation x implementation". In 2020, HKCG applied AI technology to monitor heavy machinery operation safety and to eliminate working at height hazard for riser checking works.

With the support of the management and effort of the employees, HKCG won a number of OSH Awards in HKOSH Award, including Safety Management Award, Safety Culture Award, Occupational Health Award, OSH Enhancement Programme Award, OSH Promotion Award and OSH Annual Report Award.

PRC

HKCG's project companies in the PRC benefit from HKCG's health, safety and environment-focused experience and activities. Over the years, building on its established processes in Hong Kong, HKCG has been implementing international safety standards with the adoption of modern safety management systems, including sophisticated fire prevention systems, up-to-date gas detection procedures as well as established emergency handling strategies. Together with its regular safety inspection programme for customers, HKCG believes it has improved safety among its project companies. As at the end of 2025, a total of 53 projects in the PRC have obtained ISO 45001 standard certification.

At the same time, HKCG published and implemented a number of safety manuals and guidelines for Mainland Business, including an updated HSE policy and HSE manuals, a guideline on safety signage and pipeline colour codes, fire evacuation plans, joint venture general manager monthly safety and risk management inspection programmes as well as emergency plans. HKCG also conducted regular safety and risk management audits as well as inspections, ensuring ongoing understanding and compliance with the highest industry standards.

HKCG organises regular safety training courses and workshops for mainland employees to raise their awareness of safety and promote a safe working culture. This includes various operational safety workshops and experience-sharing visits to Hong Kong. Also, HKCG provides a range of communication channels to promote workplace safety, including WeChat, eLearning platforms and its corporate social media network. Using these channels, HKCG can share the latest HSE best practise guidelines, as well as incident alerts across its operations, so employees have access to HSE information and can take part in different activities, such as quizzes and competitions.

Employee Relations

HKCG has experienced no work stoppages or strikes in its Hong Kong and PRC operations. With a few exceptions, HKCG has no collective bargaining or labour agreements with its employees in Hong Kong or the PRC. In Hong Kong, under the Employment Ordinance of Hong Kong, every employee, as between himself and his employer, has the right to become a member of a trade union and to participate in its activities. The Hong Kong & China Gas Co. Ltd. Chinese Employees Association (the "Association"), an employee-based trade union, was founded in 1948 and currently has approximately 673 members. Although the Association is not an officially recognised entity, it maintains regular dialogue and open communication with HKCG's management.

According to the "Labour Contract law of the PRC" (《中華人民共和國勞動合同法》), changes in labour rules, terms and conditions, policies and major matters by employers that have a direct bearing on the immediate interests of employees have to be discussed with and determined through collective consultation with labour unions or the meeting of employee representatives on an equal basis. Prior written notification and explanation to labour unions is also required for unilateral termination of employment contracts by the employer. In respect of HKCG, approximately 168 of its joint project companies have established labour unions, which engage in regular consultation and communication with management.

Intellectual Property

HKCG holds a number of material registered trademarks in both Hong Kong and the PRC as listed below. HKCG believes the trademarks are material to the maintenance of its strong reputation and brand in both Hong Kong and the PRC.

- Towngas/Towngas logo/煤氣
- Towngas Group 港華集團 港華集團
- 港華燃氣/港華
- Towngas Energy 港華能源 港華能源
- Towngas Smart Energy
- ECO/易高
- Hua Yan Water/華衍水務
- Hua Yan Environment
- Towngas Telecom/名氣通電訊
- U-TECH/卓裕
- P-TECH/卓誠
- TGC
- SIMPA
- 簡栢
- 思栢
- Mia Cucina KITCHENS BY TOWNGAS/歌仙娜
- Bauhinia/港華紫荊

Community Relations

HKCG commits its community service efforts to areas where it believes there is a need for support.

HKCG's Towngas Volunteer Service Team was established in 1999 to further HKCG's commitment and care for the community. Since then, the team has contributed close to 1,038,000 voluntary hours of service, not only winning the Enterprise Group category – The Grand Award – at the Industry Cares Recognition Scheme 2025, hosted by the Federation of Hong Kong Industries, but also receiving the Hong Kong Council of Social Services' "Caring Company Award" for multiple years since 2002.

As part of its efforts to care for seniors and low-income families, in 2025, HKCG continued to engage with the local community by providing targeted support to the elderly, low-income families, persons with disabilities, and other individuals in need, fostering social harmony and prosperity while spreading warmth and positive energy. In Hong Kong, beyond community visits and outreach, HKCG also introduced innovative services tailored to the needs of different community groups. These included providing nearly 10,000 free soft meals to elderly residents in care homes, organising a cake-making competition for visually impaired individuals as well as launching the "Farming for Charity" project.

Further on the Chinese mainland, HKCG founded its own flagship charity programme, Gentle Breeze Movement, in 2013 to spread warmth to the public as a means to shoulder its responsibility as a corporate citizen. Since its launch in 2013, the initiative has spanned 16 provinces, autonomous regions and municipalities, cumulatively donating educational materials worth over HK\$6.62 million to 54 schools, benefiting over 23,000 students. HKCG also established the Towngas Smart Energy Charity Library, enabling children to broaden their horizons through reading. In 2025, HKCG launched a technology-assisted education activity at the Changting County Experimental Primary School, providing teachers and students with brand-new desks, chairs, drones, and sports equipment. The drone teaching equipment donated is equipped with a programming platform, allowing students to independently design flight paths which cultivates spatial thinking and innovation capabilities to support the development of technology education.

RECENT DEVELOPMENTS

On 18 August 2026, the Company released its results for the six months ended 30 June 2026.

As of 30 June 2026, the Group's utility businesses and growth businesses maintained steady development. Despite intense volatility in international energy markets and a challenging economic environment, the Group demonstrated resilience, recording an after-tax operating profit for the six months ended 30 June 2026 of HK\$4.746 billion, representing a 19% increase year-on-year.

Utility Businesses

Hong Kong Gas Business

The Group's gas business remained broadly stable. Commercial gas consumption stood at 5,590 million MJ, while industrial gas consumption amounted to 782 million MJ as at 30 June 2026. In the catering sector, performance in the first half of 2026 remained steady and improving. Despite broader market headwinds from shifting consumption patterns and rising operating costs, gas consumption among the Group's catering customers recorded modest growth. On the residential side, high temperatures and a surge in outbound tourism weighed on gas sales, which fell by 544 million MJ to 8,042 million MJ as at 30 June 2026.

As at 30 June 2026, total town gas sales in Hong Kong had reached 14,414 million MJ (equivalent to approximately 410 million cubic metres of natural gas), down 3.5% year-on-year. The customer base stood at approximately 2.07 million, an increase of nearly 15,000 from year-end 2025.

The Group continued to develop low-carbon gas solutions tailored to the needs of industrial customers, helping them in their energy transition. During the six months ended 30 June 2026, the Group replaced the diesel boilers at the plants of a local beverage manufacturer and a well-known Japanese food manufacturer with gas boilers. In addition to lowering customers' operating costs, these projects are expected to reduce carbon emissions by approximately 180 tonnes per year, which is equivalent to the carbon absorption of around 7,400 trees.

Mainland Gas Business

Data from the National Development and Reform Commission showed that apparent natural gas consumption on the Chinese mainland declined by 2.4% year-on-year in the first half of 2026. Due to a warmer-than-usual winter, heating-related gas demand was subdued, putting pressure on overall industry performance. By capitalising on national policies supporting the energy transition, urban renewal and upgrades of ageing pipeline networks, the Group was able to seize opportunities to enhance the quality of existing infrastructure, expand integrated energy services, and pursue green, low-carbon development. The Group also strengthened coordination of gas supply resources and enhanced cross-segment synergies, allowing its operations to remain broadly stable.

As at 30 June 2026, the Group's city-gas projects on the Chinese mainland, including the Group's subsidiary, Towngas Smart Energy, totalled 325 across 23 provincial regions. During the six months ended 30 June 2026, 690,000 new customers were added, bringing the total to 44.96 million. Total gas sales volume for the first half of 2026 reached 18.6 billion cubic metres, broadly flat year-on-year. By customer segment, residential gas accounted for 4.81 billion cubic metres (26%); commercial gas, 2.73 billion cubic metres (15%); industrial gas, 7.7 billion cubic metres (41%); and distribution and power generation, 3.36 billion cubic metres (18%).

Cost pass-throughs were fully completed for industrial and commercial users, while the pass-through ratio for residential users exceeded 90%. With cost pass-throughs now largely in place, the dollar margin for city gas was RMB0.55 per cubic metre as of 30 June 2026, a further improvement of RMB0.01 per cubic metre year-on-year.

During the six months ended 30 June 2026, the Group coordinated and dispatched 2.84 billion cubic metres of gas, accounting for 15% of gas sales. The Group strengthened its strategic cooperation with the three major national petroleum corporations and provincial gas platforms, by adopting a model of centralised negotiation and decentralised signing to secure medium- to long-term procurement contracts. Simultaneously, the Group broadened access to LNG resources from Shaanxi, Shanxi and Ningxia to diversify supply channels and hedge against market volatility.

The Group pressed ahead with its core “Gas+” strategy, accelerating its transformation from a traditional city-gas enterprise into an integrated energy services provider. In the first half of 2026, the “Gas+” integrated energy business focused on unlocking value from the existing customer base by precisely addressing the needs of industrial and commercial customers. Through continuous refinement of its business framework and product portfolio, the business achieved energy sales of 1.63 billion kWh, driving associated natural gas sales of 110 million cubic metres.

In the biomethane operation, as at 30 June 2026, the Group operates 12 projects across Jiangsu, Zhejiang, Shandong, Sichuan and other provinces. As of 30 June 2026, newly integrated gas volume reached 10 million cubic metres, bringing the cumulative total to 44.5 million cubic metres. In its industrial hydrogen-blending operation, the Group has built the Chinese mainland’s first integrated testing and verification platform for hydrogen-blended combustion at industrial end-users in Zhangjiagang, Jiangsu Province.

The Group is also capitalising on its extensive customer base by creating synergies with its extended businesses and renewable energy segments. Internally, the Group is sharing marketing channels, building a unified smart online service platform and upgrading door-to-door safety inspection services. Externally, it has launched electricity intermediary services and jointly developed carbon quota and carbon asset projects for the mutual benefits of the Group’s businesses.

Water and Environmental Businesses

As of 30 June 2026, the water and environmental businesses delivered resilient growth. Water sales and sewage treatment volume reached 800 million tonnes, up 2% year-on-year, while solid waste treatment volume reached 830,000 tonnes, a year-on-year increase of 5%, driving a steady rise in profits.

Drawing on its industry-leading operational and management capabilities, the Group seized the opportunity presented by the country’s rising environmental governance standards to expand technical services, operational trusteeship and other value-added businesses through an asset-light model that has created new profit growth drivers. The Group has successfully exported its intelligent pipeline leakage management and water quality testing services to industry peers; developed integrated trusteeship services covering water supply operations and maintenance for industrial and commercial customers, pre-treatment of wastewater, and solid waste collection and disposal; and provided municipal services such as territory-wide water quality monitoring and waste collection and disposal for local governments. It has also expanded used cooking oil collection, opening up channels to monetise organic waste and building a comprehensive “technology + services + operations” revenue model.

At the same time, the Group has aligned with the national “AI+” industrial upgrade strategy by integrating its capabilities in risk early warning, intelligent leakage management, drone inspections, smart dispatch and customer service into its core productive forces. This has contributed to raising service standards, streamlining workforce requirements and improving operational efficiency. Wujiang Hua Yan, a subsidiary of the Group, saw its pipeline leakage management project recognised as a national typical case of AI application scenarios, which has been developed into a standardised product for external distribution. With regard to the low-carbon transition front, Suzhou Qingyuan Hua Yan became the first water company in Jiangsu Province to be awarded “Green Factory” status for its support of Suzhou’s zero-carbon smart industrial park initiative.

Growth Businesses

Renewable Energy Business

As at 30 June 2026, the Group's subsidiary Towngas Smart Energy had established 128 zero-carbon smart industrial parks across 24 provincial regions on the Chinese mainland. New grid-connected distributed photovoltaic capacity for industrial and commercial customers increased by 0.2 GW, bringing cumulative installed capacity to 3 GW. Photovoltaic electricity sales volume grew 12% year-on-year to 1.32 billion kWh.

During the first half of 2026, the Group leveraged its AuM strategy, increasing AuM by 0.66 GW year-on-year to 1.5 GW as at 30 June 2026. By capitalising on synergies with the gas sector, the electricity sales business grew rapidly, recording sales of 7.23 billion kWh for the six months ended 30 June 2026 (double that of the same period in 2025), and steadily strengthening its market position. Additionally, cumulative grid-connected industrial and commercial energy storage capacity reached 850 MWh. The Group is now strategically positioned across three high-growth segments, namely integrated photovoltaic-storage, standalone energy storage and direct green power supply, with its asset-light operations steadily expanding.

The Group continued to offer opportunities to project-level strategic investors to diversify their investment risks and reduce capital expenditure. These included the launch by Towngas Smart Energy of the "New Energy Infrastructure Carbon Neutral Green Held-for-Investment Real Estate Asset-Backed Plan" ("institutional REIT") and "Zero-Carbon Smart Phase 4" quasi-REIT, raising approximately RMB900 million in financing. Cumulative financing reached RMB5.5 billion as at 30 June 2026, thereby broadening its financing channels and enhancing operating cash flow while increasing investment for the development of new projects.

The Group continued to drive business transformation through innovation. To support customers' low-carbon transition, the Group introduced a new business model, the EaaS framework, with integrated decarbonisation solutions encompassing "photovoltaics + energy storage + electricity sales". The Group also increased investment in new technology by upgrading its smart energy management platform. Using AI to optimise power trading algorithms, the platform improves the operation of new energy assets and iterative trading strategies for enhanced investment returns.

Sustainable Aviation Fuel

EcoCeres, a company incubated by the Group and in which it remains a strategic shareholder, commenced trial production at its Malaysia plant in 2025. As of 30 June 2026, overall sales volume of green fuels including SAF recorded strong growth, reaching 320,000 tonnes, approximately doubled year-on-year. During the six months ended 30 June 2026, EcoCeres also extended its SAF supply agreement with British Airways through to the end of 2030. This renewal is expected to help British Airways reduce an additional 198,000 tonnes of lifecycle carbon emissions, equivalent to the total emissions of 341,000 economy-class round trips between London and New York.

Under the leadership of the HKSAR Government, EcoCeres and the Dongguan Municipal Government signed an investment letter of intent in Hong Kong to establish the Greater Bay Area's first complete SAF value chain. The project is expected to produce approximately 450,000 tonnes of SAF and HVO annually as part of an end-to-end value chain collaboration model. Under this model, biomass waste will be collected in the Greater Bay Area, refined in Dongguan, and blended, bunkered and traded in Hong Kong. This will bring EcoCeres's total annual capacity to 1.22 million tonnes.

EcoCeres is also actively exploring new application scenarios for its products. The company's HVO is now being used as an alternative fuel for data centre backup generators and has been deployed in the first pilot projects using HVO-powered backup generators on the Chinese mainland (with GDS Holdings) and in Southeast Asia (with Bridge Data Centres in Singapore).

Green Fuels and Chemicals

VENEX, a joint venture under the Group's green fuels and chemicals business, achieved multiple breakthroughs in the first half of 2026. Its production capacity is concentrated on three major port clusters. At its project in Inner Mongolia, the company is ramping up capacity to 300,000 tonnes, primarily serving North China ports. In Foshan, a new project is progressing steadily towards its expected 2028 commissioning, when it will have an anticipated capacity of 200,000 tonnes to serve ports in South China, Hong Kong and Southeast Asia. Together, these facilities establish a strategic dual-base footprint across northern and southern China, with total planned capacity of 500,000 tonnes. There are also plans to establish a new plant in East China, for which VENEX is currently seeking domestic and overseas partners.

During the six months ended 30 June 2026, the Group also received one of the first certifications under the country's Global Sustainable Transport Certification (GSTC) scheme, adding to its existing international ISCC and ISO product carbon footprint certifications. The Group will work closely with the HKSAR Government to support Hong Kong's development as an international green fuel bunkering centre.

Hydrogen Energy

In May 2026, the Group signed a memorandum of understanding with 10 local and international enterprises to further develop Hong Kong's hydrogen energy ecosystem on a joint basis. Key objectives include producing green hydrogen from biogas collected at landfills and deploying and promoting hydrogen commercial vehicles and hydrogen generators in Hong Kong.

Hydrogen energy in Hong Kong remains at an early stage, with policy, regulation, technical standards and business models gradually maturing. In the near term, the focus will remain on demonstration and pilot projects to validate the technology, safety standards and application scenarios. As Hong Kong's hydrogen-related regulations mature and technology costs decline over time, the Group expects to achieve commercially viable hydrogen projects and unlock new growth opportunities.

Extended Business

The Group operates in a vast market of 47 million city-gas customers across Hong Kong and the Chinese mainland, as at 30 June 2026. Capitalising on this opportunity, Towngas Lifestyle, a subsidiary of the Group, has been accelerating its transformation into a service-driven one-stop home concierge service model. It is focused on three core business pillars: smart kitchens, insurance and home safety. By increasing engagement with its existing customer base, Towngas Lifestyle is improving conversion rates and driving progressively faster business growth.

As of 30 June 2026, Towngas Lifestyle delivered continued growth, with revenue reaching HK\$2.2 billion, up 11% year-on-year, and net profit of HK\$307 million, up 19% year-on-year.

In Hong Kong, Towngas Lifestyle launched a brand campaign promoting its one-stop home concierge service covering design, renovation and after-sales care, then made its debut at the In-Home Expo in June. It also achieved strong appliance sales due to the increased intake for new public housing estates and active transactions in the secondary property market. Smart kitchen revenue as of 30 June 2026 reached HK\$870 million, up 7% year-on-year, with retail contributing HK\$770 million, an increase of 19%. For project-based kitchen cabinets, contracts for 2,471 new sets were secured and white goods sales exceeded 7,500 units as of 30 June 2026.

On the Chinese mainland, trade-in sales of the smart kitchen appliances business rose 17% year-on-year for the period ended 30 June 2026. The heating engineering business grew 14% year-on-year to RMB120 million as at 30 June 2026, and a dedicated Heating, Ventilation, and Air Conditioning ("HVAC") company was established to provide one-stop Integrated HVAC solutions. In the insurance business, the share of home property comprehensive insurance in total insurance sales rose to 82% and

smart device connections reached 440,000 households as at 30 June 2026. In the first half of 2026, the Group launched a subscription-based safety platform service to address diverse consumer needs for home safety, achieving a 7% conversion rate. After opening community service stations in Hangzhou and Zhongshan, the Group will continue to extend these stations to more cities nationwide with a view to forming a proprietary community service network, bringing services to more customers.

Towngas Lifestyle has also been fully embracing AI technologies, upgrading its Towngas Cloud Platform and artificial intelligence of things (“AIoT”) ecosystem. By promoting the use of integrated AI agents in home scenarios, Towngas Lifestyle is enabling its 47 million household customers (as at 30 June 2026) to enjoy higher-quality smart services.

RELATIONSHIP WITH THE GOVERNMENT

Hong Kong

HKCG does not hold any concession or franchise granted by the Hong Kong government for HKCG's gas supply business in Hong Kong.

HKCG is a registered gas supply company under the Gas Safety (Registration of Gas Supply Companies) Regulations (the "Regulations") under the Gas Safety Ordinance (Cap. 51 of the Laws of Hong Kong). HKCG possesses a certificate of registration as a gas supply company first issued by Hong Kong's Gas Authority on 20 February 1992 as evidence of such registration under the Regulations. The registration remains valid unless cancelled or suspended. HKCG is also a registered gas contractor under the Gas Safety (Registration of Gas Installers and Gas Contractors) Regulations under the Gas Safety Ordinance. HKCG possesses a certificate of registration as a gas contractor issued by the Hong Kong Gas Authority on 16 December 1994, as evidence of such registration. The registration remains valid unless cancelled or suspended.

The Regulations contain provisions regarding the general self-regulating duty of every registered gas supply company, so far as is reasonably practicable, to ensure the work-related health and safety of all its employees and to conduct its operations in a manner consistent with public safety with respect to gas-related risks. In addition to the Gas Safety Ordinance and related regulations, the gas supply operations of HKCG are also subject to codes of practise in relation to gas safety issued by the Gas Authority.

On 3 April 1997, HKCG voluntarily entered into a three-year Information and Consultation Agreement (the "ICA") with the Hong Kong government, which has subsequently been extended seven times for a term of three years each. The current ICA came into effect for a period of three years with effect from 3 April 2024. The purpose of the ICA is to increase the transparency of HKCG's tariff and fixed monthly maintenance charge setting mechanism, and adjustments thereto. The ICA outlines certain procedures for HKCG to consult the Hong Kong government in the event of tariff or fixed monthly maintenance charge adjustments and major system additions that have the effect of increasing HKCG's total fixed assets by a substantial increment. Under the ICA, HKCG is also required to provide the Hong Kong government with a written statement containing specified categories of information relating to financial, operational, environmental and safety matters, and to make available the information to the general public on an annual basis. Except as provided under the ICA, HKCG is not subject to any price or profit regulation by the Hong Kong government.

HKCG has been granted certain easements, licences and way leaves by the Hong Kong government to allow HKCG's gas pipeline network to pass-through public areas in a number of places in Hong Kong. HKCG has also been granted certain licences by the Hong Kong government to lay cables, ducts and fibres for the purpose of provision of fixed telecommunication network services inside HKCG's low pressure system.

PRC

HKCG's project companies in the PRC are required to comply with laws, regulations and administrative measures regulating the gas and water supply industries as well as coal industry.

Gas Industry

On 19 November 2010, the State Council issued the 城鎮燃氣管理條例 ("Urban Gas Regulations"), which became effective on 1 March 2011 and was amended on 6 February 2016, to regulate the fuel gas (including, but not limited to, natural gas, manufactured gas, and LPG) industry, such as fuel gas operation and services, use of fuel gas, protection of fuel gas facilities, the prevention and handling of accidents concerning fuel gas safety and related activities. Pursuant to the Urban Gas Regulations, an

enterprise which carries on fuel gas operation business in the PRC must meet the following requirements to obtain a fuel gas operation licence from the local government at or above the county level in charge of gas administration:

- (1) conforming to the fuel gas development planning requirements, having gas sources and gas facilities that meet national standards,
- (2) having fixed business premises, a safety management system and a sound management plan,
- (3) assigning a principal responsible person from the enterprise, personnel for the administration of production safety and operation and personnel for maintenance and repair who have received professional training and passed relevant examinations, and
- (4) other requirements provided by PRC laws, rules and regulations.

On 19 November 2014, the MOHURD published the “Administrative Measures on the Fuel Gas Operation Licence and Administrative Measures on the Professional Training and Assessment for the Employees of the Fuel Gas Operation Enterprise”(《關於印發〈燃氣經營許可管理辦法〉和〈燃氣經營企業從業人員專業培訓考核管理辦法〉的通知》), the “Fuel Gas Measures”, which was amended on 11 March 2019, to strengthen the administration of the fuel gas operation licence.

According to the Fuel Gas Measures, the enterprise shall obtain fuel gas operation licence for gas operation and shall apply for relevant changes of such licence when its name, registered address or its legal representative changed. Particularly, if the legal representative changes, the new legal representative shall obtain the Qualification Certificate for the Professional Training and Assessment of Personnel in Fuel Gas Operation. In addition, if (i) the operation categories, operation areas or supply modes changes, or (ii) the division or merger of the enterprise happens, such enterprise shall reapply for the gas operation licence.

From 10 June 2018, the PRC government has formally aligned the reference residential gate price with reference non-residential gate price, allowing the former to increase by no more than RMB0.35 per cubic meter in 2018. The actual residential price will be determined via negotiation, but it will not exceed 20 per cent. of the increased reference price, instead of being capped at the reference price of previous level.

In May 2023, the NDRC issued the “Guiding Opinions on Establishing and Improving the Upstream and Downstream Natural Gas Price Linkage Mechanism”(《國家發展改革委關於建立健全天然氣上下游價格聯動機制的指導意見》), which encourages local authorities to establish upstream and downstream natural gas price linkage mechanisms, including for residential gas. In December of the same year, the NDRC issued the “Notice on Accelerating the Reform of Gas, Heating, and Water Supply Pricing”(《國家發展改革委關於加快推進供氣供熱供水價格改革的通知》), further urging local authorities to accelerate reforms subject to local implementation.

Water Supply Industry

HKCG’s subsidiaries and joint ventures in the water supply industry are principally governed under the following laws and regulations:

Under the “Circular on Establishing and Approval Items that Really Need to Be Preserved”(《國務院對確需保留的行政審批專案設定行政許可的決定》) issued by the State Council on 29 June 2004 amended for the first time on 29 January 2009, and amended for the second time on 25 August 2016, and other relevant regulations, water supply enterprises should obtain Hygiene Permits (《衛生許可證》) from the hygiene authorities at the county or city (with districts) level. The qualification verification procedures with competent local construction authorities pursuant to the “Regulations on Urban Water Supply”(《城市供水條例》), which became effective as at 1 October 1994, was abolished under Guo Fa 2002 No. 24.

Waste Treatment Industry

In December 2025, the State Council issued the “Solid Waste Comprehensive Treatment Action Plan”(《固體廢物綜合治理行動計劃》), which requires the improvement of the management ledger system, segregated collection and storage, strict enforcement of cross-provincial transfer approvals, and the promotion of environmental information disclosure. In July 2026, the Ministry of Ecology and Environment, together with five other agencies, jointly issued the “15th Five-Year Plan for Solid Waste Pollution Prevention and Control”(《固體廢物污染防治“十五五”規劃》), which provides that the national proportion of hazardous waste disposed of through landfill shall be capped at 10%.

In October 1995, the Standing Committee of the NPC issued the “Solid Waste Pollution Prevention and Control Law of the PRC”(《中華人民共和國固體廢物污染環境防治法》), which was revised in April 2020. The Law establishes the fundamental principles of waste reduction, resource recovery and harmlessness treatment. With respect to industrial solid waste, the Law provides that generating entities must maintain a management ledger, and that an entity engaging a third party to transport, utilise or dispose of such waste must verify the third party’s qualifications and enter into a written contract. Solid waste that cannot be immediately utilised or disposed of shall be stored in facilities meeting environmental protection standards or be rendered harmless. With respect to hazardous waste, generators must prepare a management plan, report it to the local competent ecology and environment authority, and use a transfer manifest for any transfer; cross-provincial transfers require prior approval from the provincial authority of the originating province.

In May 2004, the State Council issued the “Administrative Measures for Hazardous Waste Operating Licences”(《危險廢物經營許可證管理辦法》), which was amended in February 2016, providing that any entity engaging in the collection, storage or disposal of hazardous waste must obtain a hazardous waste operating licence, which is granted by the competent ecology and environment authority at the relevant level.

In April 2014, the Standing Committee of the NPC revised the “Environmental Protection Law of the PRC”(《中華人民共和國環境保護法》), which establishes a pollutant discharge permit system. In January 2021, the State Council issued the “Regulations on the Administration of Pollutant Discharge Permits”(《排污許可管理條例》), providing that all entities discharging pollutants must obtain a pollutant discharge permit valid for five years, and that permit holders must maintain an environmental management ledger (retained for no less than five years) and submit periodic compliance reports. The “Solid Waste Pollution Prevention and Control Law of the PRC”(《中華人民共和國固體廢物污染環境防治法》) expressly requires entities that generate industrial solid waste to obtain a pollutant discharge permit.

Concession Administration

HKCG’s project companies as urban gas operators or water suppliers are required to operate under a concession system according to the “Opinions on Accelerating the Market Pace of Urban Public Utilities”(《關於加快市政公用行業市場化進程的意見》) issued by the MOC on 27 December 2002.

Pursuant to the MOC’s “Administrative Measures on Municipal Utility Concession”(《市政公用事業特許經營管理辦法》)(the Concession Measures) effective as on 1 May 2004 and as amended on 4 May 2015, HKCG’s project companies in the gas and water supply industries should obtain concession rights (特許經營權) from the municipal utility authorities at the county or municipality level. According to the Concession Measures, the utility concession usually is granted by public bidding or other legal means. HKCG’s project companies should enter into concession agreements with local governments which specifies, among other details the geographical area delineated, business activities carried on (such as the distribution of piped city-gas, products and/or services provided) and the related pricing mechanism. Generally, the maximum concession period of HKCG’s project companies will not exceed 30 years and is dependent on the operation model, investment structures and business activities, size of operation and service provided.

On 28 March 2024, the NDRC, the Ministry of Finance, the MOHURD, the Ministry of Transport, the Ministry of Water Resources and the PBOC jointly promulgated the “Measures for the Administration of Concession for Infrastructure and Public Utilities” (《基礎設施和公用事業特許經營管理辦法》) which took effect on 1 May 2024 and repealed the 2015 measures, to encourage using social capital in the infrastructure and public utilities for the protection of the public benefits and safety. The government authorities in charge of public utilities at or above the county level may propose plans to implement such concession projects based on the social development and choose the concession operator through competitive modes including bidding and competitive negotiation. Where concession projects have specific construction and operation standards and supervision requirements, and the market competition in the relevant sector is adequate, concessionaires shall be chosen through bidding. The concession agreement shall be executed for the concession. The concession term is generally not more than 40 years, although it may be appropriately extended for projects involving substantial investment and a long investment return cycle. After the term expires, governments may re-select the concessionaire based on the relevant procedures.

Renewable energy and green fuels

In January 2025, the “Energy Law of the PRC” (《中華人民共和國能源法》) took effect, which explicitly endorses the priority development of renewable energy. In July 2026, the “15th Five-Year Plan for Renewable Energy Development” (《可再生能源發展“十五五”規劃》) further sets forth overall targets for the development of non-fossil energy, requiring accelerated deployment of wind, solar, hydro and nuclear power capacity and the establishment of a national integrated power market to facilitate the consumption of renewable generation.

In February 2025, the National Energy Administration (the “NEA”) issued the “Guiding Opinions on Energy Work for 2025” (《2025年能源工作指導意見》), which provides that national installed power generation capacity should reach 3.6 billion kW, that the share of non-fossil energy in installed capacity should be raised to approximately 60%, and that the share of non-fossil energy in total energy consumption should be raised to approximately 20%. The Guiding Opinions also set out 21 key tasks, including accelerating the construction of large-scale wind and solar power bases, supporting the development of zero-carbon industrial parks and building-integrated photovoltaics, and developing the renewable hydrogen production and sustainable fuel industries.

In June 2025, the NDRC, together with the Ministry of Industry and Information Technology and the National Energy Administration, jointly issued the “Notice on Launching the Development of Zero-Carbon Parks (《關於開展零碳園區建設的通知》)”, which establishes the framework for the development of national-level zero-carbon industrial parks and encourages green-power direct supply arrangements, green electricity and green certificate trading, and the construction of energy and carbon management platforms. Policies in this area are evolving rapidly and are subject to adjustments in response to energy security considerations and market conditions. These policies do not guarantee specific project approvals, financial returns or continued policy support.

Project Verification

Under the “Administrative Measures on Approval and Filing for Enterprise Investment Projects” (《企業投資項目核准和備案管理辦法》) issued by the NDRC on 8 March 2017 and effective from 8 April 2017, which was amended in March 2023 pursuant to NDRC Order No. 1 of 2023, projects which relate to national security or involve, among others, nationwide significant productivity layout, development of strategic resources and significant public interest shall be subject to approval administration. Other projects shall be subject to filing administration. The scope of projects subject to approval administration, the approval authorities and approval limits shall be determined in accordance with the “List of Government-approved Investment Projects” (《政府核准的投資項目目錄》), the “Catalogue”) promulgated by the State Council on 12 December 2016.

Under the Catalogue, to invest in the construction of fixed-asset investment projects listed in the Catalogue, enterprises must report the relevant projects to the project confirmation authorities for confirmation in accordance with the relevant provisions. Where enterprises invest in the construction of projects beyond the Catalogue, such projects shall be subject to filing administration. From 2016, examination and approval shall be ceased within three years for new coal mine projects, technical transformation projects of new capacity and projects of capacity increased upon review in principle and decrement substitution shall be employed for necessary new coal mines.

On 14 January 2017, the NDRC issued the “Circular on Effectively Implementing Foreign Capital-related Work in the List of Government-approved Investment Projects (2016 Version)” (《關於做好貫徹落實〈政府核准的投資項目目錄(2016年本)〉有關外資工作的通知》), according to which, 1) any project of the restricted category with a total investment (including capital increase) for U.S.\$300 million or above as included in the Catalogue for the Guidance of Foreign Investment Industries shall be approved by the NDRC, and any project with a total investment (including capital increase) for U.S.\$2 billion and above shall be submitted to the State Council for filing, 2) any project of the restricted category with a total investment (including capital increase) for less than U.S.\$300 million as included in the Catalogue for the Guidance of Foreign Investment Industries shall be approved by the provincial government, and 3) the foreign investment projects beyond the scope of projects subject to approval and not in the prohibited category as provided in the Catalogue for the Guidance of Foreign Investment Industries shall be presented to local development and reform commissions for filing. Foreign investment permitted or encouraged projects which fall into the Catalogue of the projects listed in articles 1 to 10, shall be approved according to articles 1 to 10 of the Catalogue (not the articles for foreign investments).

Thailand

HKCG currently has limited operations in Thailand after acquiring a 60 per cent. stake in an onshore oil exploration and production project in 2012, which holds all necessary licences, as well as concession rights for certain onshore oilfield blocks, and is in compliance with applicable Thai laws and regulations. See “*Description of HKCG – Other Businesses – International Upstream Oil Project*”.

DIRECTORS AND MANAGEMENT

Board of Directors

The Board of HKCG is committed to maintaining good corporate governance and is ultimately accountable for HKCG's activities, strategies and financial performance. The Board of HKCG has three Executive Directors and eight Non-executive Directors. Four of the eight Non-executive Directors are independent.

The following table shows the information regarding the Executive Directors, Managing Director, Non-executive Directors and Independent Non-executive Directors of HKCG as at the date of this offering circular.

<u>Name</u>	<u>Title/Position</u>	<u>Age</u>	<u>Current director position held since</u>
Dr. the Hon. Lee Ka-kit	Chairman and Non-executive Director	63	March 1990
Dr. Lee Ka-shing	Chairman and Non-executive Director	55	September 1999
Dr. Colin Lam Ko-yin	Non-executive Director	75	July 1983
Prof. Andrew Fung Hau-chung	Non-executive Director	69	June 2022
Dr. the Hon. Sir David Li Kwok-po	Independent Non-executive Director	87	November 1984
Prof. the Hon. Poon Chung-kwong	Independent Non-executive Director	86	November 2009
Dr. the Hon. Moses Cheng Mo-chi	Independent Non-executive Director	76	January 2019
Prof. Anna Wong Wai-kwan	Independent Non-executive Director	67	June 2024
Mr. Peter Wong Wai-yee	Managing Director	75	February 2013
Mr. Yeung Lui-ming	Executive Director and Chief Financial Officer	58	January 2024
Mr. Chan Ying-lung	Executive Director and Chief Investment Officer	46	June 2024

The below lists biographical details of HKCG's present Directors extracted from the annual report of HKCG for the financial year ended 31 December 2025 and subsequent updates for the interim report of HKCG for the six months ended 30 June 2026.

Dr. the Hon. Lee Ka-kit

GBM, GBS, JP, DBA (Hon)

Current position/relationship with any other director of HKCG

- Chairman and Non-executive Director of HKCG
- Brother of Dr. Lee Ka-shing (Chairman and Non-executive Director of HKCG)

Qualifications and Education

- Honorary University Fellowship, The University of Hong Kong
- Honorary Degree of Doctor of Business Administration, Edinburgh Napier University

Other Major Offices

- Chairman of Nomination Committee of HKCG
- Member of Remuneration Committee of HKCG
- Henderson Land Development Company Limited* – Chairman and Managing Director
- Henderson Investment Limited* – Vice Chairman
- Towngas Smart Energy Company Limited* – Chairman and Non-executive Director

Public Services

- The Standing Committee of the 14th National Committee of the Chinese People's Political Consultative Conference – Member
- One Country Two Systems Research Institute – Chairman of the Board of Directors

Relationship with Substantial Shareholders[#]

- Henderson Land Development Company Limited* – Chairman and Managing Director
- Henderson Development Limited – Chairman
- Hopkins (Cayman) Limited – Director
- Rimmer (Cayman) Limited – Director
- Riddick (Cayman) Limited – Director

Dr. Lee Ka-shing

GBS, JP, DSSc (Hon)

Current position/relationship with any other director of HKCG

- Chairman and Non-executive Director of HKCG
- Brother of Dr. the Hon. Lee Ka-kit (Chairman and Non-executive Director of HKCG)

Qualifications and Education

- Honorary Fellowship, University College London
- Honorary Degree of Doctor of Social Science, The Hang Seng University of Hong Kong

Other Major Offices

- Chairman of Nomination Committee of HKCG
- Member of Remuneration Committee of HKCG
- Henderson Land Development Company Limited* – Chairman and Managing Director
- Henderson Investment Limited* – Chairman and Managing Director
- Miramar Hotel and Investment Company, Limited* – Chairman and Chief Executive Officer

Public Services

- Court of The Hong Kong Polytechnic University – Member
- Court of City University of Hong Kong – Member
- Standing Committee of the 14th Beijing Municipal Committee of the Chinese People's Political Consultative Conference – Member

Relationship with Substantial Shareholders[#]

- Henderson Land Development Company Limited* – Chairman and Managing Director
- Henderson Development Limited – Chairman

- Hopkins (Cayman) Limited – Director
- Rimmer (Cayman) Limited – Director
- Riddick (Cayman) Limited – Director
- Disralei Investment Limited – Director
- Medley Investment Limited – Director
- Faxson Investment Limited – Director
- Chelco Investment Limited – Director
- Macrostar Investment Limited – Director
- Timpani Investments Limited – Director

Dr. Colin Lam Ko-yin

GBS, SBS, FCILT, FHKIoD, DB (Hon), DBA (Hon), DSocSc (Hon)

Current position

- Non-executive Director of HKCG

Qualifications and Education

- Fellow of The Chartered Institute of Logistics and Transport in Hong Kong
- Fellow of The Hong Kong Institute of Directors
- Honorary University Fellowship, The University of Hong Kong
- B.Sc. (Honours) Degree, The University of Hong Kong
- Honorary Fellowship, The Chinese University of Hong Kong
- Degree of Doctor of Business (Honoris Causa), Macquarie University
- Degree of Doctor of Business Administration (Honoris Causa), The Hong Kong University of Science and Technology
- Degree of Doctor of Social Sciences (Honoris Causa), The University of Hong Kong

Other Major Offices

- Henderson Land Development Company Limited* – Vice Chairman
- Henderson Investment Limited* – Vice Chairman
- Hong Kong Ferry (Holdings) Company Limited* – Chairman
- Miramar Hotel and Investment Company, Limited* – Executive Director

Public Services

- The University of Hong Kong Foundation for Educational Development and Research – Deputy Chairman

- Fudan University Education Development Foundation – Director
- The 8th University Board of Fudan University – Member
- Court of Hong Kong Baptist University – Honorary Member
- Court of The Hong Kong University of Science and Technology – Member
- Court of City University of Hong Kong – Member

Relationship with Substantial Shareholders[#]

- Henderson Land Development Company Limited* – Vice Chairman
- Henderson Development Limited – Director
- Hopkins (Cayman) Limited – Director
- Rimmer (Cayman) Limited – Director
- Riddick (Cayman) Limited – Director
- Disralei Investment Limited – Director
- Medley Investment Limited – Director
- Macrostar Investment Limited – Director

Prof. Andrew Fung Hau-chung

SBS, BBS, JP, BA, CMA (Australia), FIPA (Australia)

Current position

- Non-executive Director of HKCG

Qualifications and Education

- Bachelor of Arts Degree, The University of Hong Kong
- Honorary Fellowship, Lingnan University

Other Major Offices

- Henderson Land Development Company Limited* – Executive Director and Chief Financial Officer

Public Services

- School of Accounting and Finance of The Hong Kong Polytechnic University – Adjunct Professor
- The Hang Seng University of Hong Kong – Adjunct Professor
- School Management Committee of Buddhist Tai Hung College – Member
- The D.H. Chen Foundation – Trustee
- Cantonese Opera Advisory Committee – Member
- Cantonese Opera Development Fund Advisory Committee – Member

- Banking Review Tribunal – Member
- The Community Chest of Hong Kong – Board Member
- Accounting and Financial Reporting Council – Non-executive Director
- Insurance Authority – Non-executive Director

Relationship with Substantial Shareholders[#]

- Henderson Land Development Company Limited* – Executive Director and Chief Financial Officer

Past Experience

Prof. Fung served as an executive director and the Head of Global Banking and Markets of Hang Seng Bank Limited before he stepped down from such positions in July 2017. He has been engaged in the banking industry since graduation, serving at Societe Generale, The Hongkong and Shanghai Banking Corporation Limited, Commonwealth Bank of Australia, Hong Kong Branch and DBS Bank (Hong Kong) Limited. He has 44 years of experience in banking, capital markets and asset management.

Dr. the Hon. Sir David Li Kwok-po

GBM, GBS, OBE, JP, MA Cantab. (Economics & Law), Hon. LLD (Cantab), Hon. DSc. (Imperial), Hon. LLD (Warwick), Hon. DBA (Edinburgh Napier), Hon. D.Hum.Litt. (Trinity, USA), Hon. LLD (Hong Kong), Hon. DSocSc (Lingnan), Hon. DLitt (Macquarie), Hon. DSocSc (CUHK), FCA, FCPA, FCPA (Aust.), FCIB, FHKIB, FBCS, CITP, Officier de l'Ordre de la Couronne, Grand Officer of the Order of the Star of Italian Solidarity, The Order of the Rising Sun, Gold Rays with Neck Ribbon, Commandeur dans l'Ordre National de la Légion d'Honneur

Current position

- Independent Non-executive Director of HKCG

Other Major Offices

- Chairman of Board Audit and Risk Committee of HKCG
- Chairman of Remuneration Committee of HKCG
- Member of Nomination Committee of HKCG
- The Bank of East Asia, Limited* – Executive Chairman
- San Miguel Brewery Hong Kong Limited* – Independent Non-executive Director

Public Services

- Treasury Markets Association – Council member
- The Friends of Cambridge University in Hong Kong Limited – Founding Chairman
- The Salvation Army Hong Kong and Macau Territory – Chairman of the Advisory Board
- St. James' Settlement – Chairman of the Executive Committee
- Hong Kong Academy of Finance – Fellow

Past Experience

Sir David was previously an Independent Non-executive Director of Vitasoy International Holdings Limited* and The Hongkong and Shanghai Hotels, Limited*. He was a Member of the Executive Council of Hong Kong from 2005 to 2008 and the Legislative Council of Hong Kong from 1985 to 2012. He was appointed Vice Chairman of the Basic Law Drafting Committee of the Hong Kong Special Administrative Region in 1985.

Prof. the Hon. Poon Chung-kwong

GBM, GBS, JP, OBE, PhD, DSc

Current position

- Independent Non-executive Director of HKCG

Qualifications and Education

- Bachelor of Science (Honours) Degree, The University of Hong Kong
- Doctor of Philosophy Degree and Higher Doctor of Science Degree, University of London
- Postdoctoral Fellow at the California Institute of Technology, University of Southern California and University of Toronto
- Honorary Degree of Doctor of Humanities, The Hong Kong Polytechnic University

Other Major Offices

- Member of Board Audit and Risk Committee, Remuneration Committee and Nomination Committee of HKCG
- Henderson Land Development Company Limited* – Independent Non-executive Director
- Chevalier International Holdings Limited* – Independent Non-executive Director

Public Services

- Virya Foundation Limited (a registered non-profit charitable organisation) – Chairman

Relationship with Substantial Shareholders[#]

- Henderson Land Development Company Limited* – Independent Non-executive Director

Past Experience

Prof. Poon is an Emeritus Professor and the President Emeritus of The Hong Kong Polytechnic University. He had devoted 40 years of his life to advancing university education in Hong Kong before he retired in January 2009 from his 18-year presidency at The Hong Kong Polytechnic University. He was previously a Non-executive Director of Lee & Man Paper Manufacturing Limited*. In addition, he was appointed as a member of the Legislative Council of Hong Kong (1985-1991) and a member of the National Committee of the Chinese People's Political Consultative Conference (1998-2013).

Dr. the Hon. Moses Cheng Mo-chi

GBM, GBS, OBE, JP

Current position

- Independent Non-executive Director of HKCG

Qualifications and Education

- Practising Solicitor

Other Major Offices

- Member of Board Audit and Risk Committee, Remuneration Committee, Nomination Committee and Board Environmental, Social and Governance Committee of HKCG
- Messrs. P.C. Woo & Co. – Senior Consultant
- Towngas Smart Energy Company Limited* – Independent Non-executive Director
- Guangdong Investment Limited* – Independent Non-executive Director
- K. Wah International Holdings Limited* – Non-executive Director
- Liu Chong Hing Investment Limited* – Independent Non-executive Director
- Tian An China Investments Company Limited* – Non-executive Director

Public Services

- Executive Council of the Hong Kong Special Administrative Region – Non-official member
- Hong Kong Maritime and Port Development Board – Chairman
- The Hong Kong Institute of Directors – Honorary President and Chairman Emeritus

Past Experience

Dr. Cheng was a senior partner and consultant of Messrs. P.C. Woo & Co. from 1994 to January 2023. He was also a member of the Legislative Council of Hong Kong as well as the founder Chairman of the Insurance Authority and The Hong Kong Institute of Directors.

Prof. Anna Wong Wai-kwan

JD, MBA, BA

Current position

- Independent Non-executive Director of HKCG

Qualifications and Education

- Senior Fellow of Hong Kong Securities and Investment Institute
- Fellow of St. John's College, The University of Hong Kong
- Bachelor of Arts degree, The University of Hong Kong
- Master of Business Administration degree, The Chinese University of Hong Kong
- Juris Doctor degree, The University of Hong Kong

Other Major Offices

- Chairman of Board Environmental, Social and Governance Committee of HKCG
- Member of Board Audit and Risk Committee, Remuneration Committee and Nomination Committee of HKCG

- MTR Corporation Limited* – Independent Non-executive Director
- Professor of Practice in Finance at the Faculty of Business and Economics and the Program Director of the Bachelor of Finance (Asset Management and Private Banking) at The University of Hong Kong
- HSBC Provident Fund Trustee (Hong Kong) Limited – Independent Non-executive Director

Public Services

- Process Review Panel for the Accounting and Financial Reporting Council – Member
- Steering Committee of Innovation and Technology Industry-Oriented Fund and Innovation and Technology Venture Fund Schemes – Member

Past Experience

Prof. Wong has extensive experience in banking and finance. She had worked in major financial institutions including Citigroup, HSBC, Credit Suisse, BNP Paribas and the Chase Manhattan Bank, covering work related to private banking, asset management, securities brokerage, corporate and commercial banking, credit and risk management, and was the Head of Private Bank, Greater China at Credit Suisse and the CEO of HSBC Broking Services (Asia) Limited. Prof. Wong was previously an Independent Non-executive Director of Bank of China International Limited, a non-executive director of the Insurance Authority, a member of the Advisory Committee of the Securities and Futures Commission, a director of each of the Hong Kong Securities and Investment Institute and Hong Kong Securities Association Limited, a member of the Investment Committee of The Hong Kong Polytechnic University, a member of the Human Capital Committee of the Financial Services Development Council, a member of the Finance Committee of the Housing Authority and a member of the Competition Commission.

Mr. Peter Wong Wai-ye

CPA (CANADA), CMA, CPA (HK), ACG, HKACG, AdFHKIE, FIGEM, FHKIoD, FHKMA, MBA

Current position

- Managing Director of HKCG

Qualifications and Education

- Chartered Professional Accountant of Canada
- Certified Public Accountant of Hong Kong
- Chartered Company Secretary and Chartered Governance Professional in Hong Kong and the United Kingdom
- Adjunct Fellow of The Hong Kong Institution of Engineers
- Fellow of The Institution of Gas Engineers and Managers of the United Kingdom
- Fellow of The Hong Kong Institute of Directors
- Professor of Practice of HKMA Institute of Advanced Management Development
- Completed the Advanced Management Program from Harvard Business School in the United States

Other Major Offices

- Member of Board Environmental, Social and Governance Committee of HKCG

- Towngas Smart Energy Company Limited* – Executive Director and Chief Executive Officer
- EcoCeres, Inc. – Director
- Shenzhen Gas Corporation Ltd.* – Vice Chairman
- Foran Energy Group Co., Ltd.* – Vice Chairman

Public Services

- Employers' Federation of Hong Kong – Council Member
- Hong Kong Trade Development Council Infrastructure Development Advisory Committee – Member
- The Hong Kong Management Association (“HKMA”) Global Centre for ESG Education and Research – Chairman of the Advisory Board
- HKMA – Council Member and Member of Executive Committee

Past Experience

Mr. Wong was named consecutively as one of “The Best CEO of Chinese Listed Companies” by Forbes in 2012 and 2013. He received the inaugural Climate Governance Award in the “Listed Company – Executive Directors” category from The Hong Kong Institute of Directors in 2024. Mr. Wong was a member of the Mainland Business Advisory Committee of the Hong Kong Trade Development Council, a member of the Advisory Committee and External Advisor of the Career Planning and Development Steering Committee of the College of Professional and Continuing Education, The Hong Kong Polytechnic University as well as a Council member of the Vocational Training Council.

Mr. Yeung Lui-ming

FCCA, FCPA

Current position

- Executive Director and Chief Financial Officer of HKCG

Qualifications and Education

- Fellow Member of the Association of Chartered Certified Accountants
- Fellow Member of The Hong Kong Institute of Certified Public Accountants
- Associate of The Taxation Institute of Hong Kong
- Ordinary Member of Hong Kong Securities and Investment Institute
- Graduated from The Hong Kong Polytechnic University

Other Major Offices

- Member of Board Environmental, Social and Governance Committee of HKCG

Public Services

- GBA Youth Innovation & Entrepreneurship Foundation – Honorary President
- Employers' Federation of Hong Kong – General Committee Member

- International Green Fuels Alliance – Committee Member

Past Experience

Mr. Yeung worked and held management position in Deloitte China for 32 years. He served as the National Managing Partner of Financial Advisory of Deloitte China from November 2013 to May 2021 and was appointed as the Vice Chairman of Deloitte China since June 2021. Before Mr. Yeung stepped down from Deloitte China, he led the team in capital market advisory, debt restructuring, fund advisory, forensic accounting investigation, corporate restructuring, etc. and advised corporate clients and investors both on the Chinese mainland and Hong Kong on various investment projects, acquisitions and mergers projects.

Mr. Chan Ying-lung

MAppFin, BCom

Current position

- Executive Director and Chief Investment Officer of HKCG

Qualifications and Education

- Master degree in Applied Finance, Monash University in Australia
- Bachelor degree in Commerce, University of Melbourne

Other Major Offices

- EcoCeres, Inc. – Co-Chairman
- Hong Kong RISC-V Alliance (HKRVA) Limited – Honorary President

Public Services

- 1st 光伏治沙專業委員會(Photovoltaic Sand Control Professional Committee) of the China National Sand Control and Desert Industry Society – Vice-chairman
- Hong Kong International Carbon Market Council (on which HKCG is a Council member) of Core Climate Global Limited (a subsidiary of Hong Kong Exchanges and Clearing Limited) – Representative of HKCG

Past Experience

Mr. Chan was an Independent Non-executive Director of China Harmony Auto Holding Limited*. He previously worked as an investment team head in private equity at China Merchants Securities (HK) Co., Limited, a vice president at CCB International Asset Management Limited and a research analyst at China Everbright Research Limited respectively.

* listed public company

under the provisions of the Securities and Futures Ordinance of Hong Kong

Board Practices

According to the Articles of Association of HKCG, one-third of all the Directors are subject to retirement by rotation at every annual general meeting. Subject to the provisions contained in the Articles of Association, Dr. the Hon. Lee Ka-kit, Dr. the Hon. Sir David Li Kwok-po, Dr. Colin Lam Ko-yin and Mr. Yeung Lui-ming were due to retire by rotation at the annual general meeting on 1 June 2026 (the “AGM”) and are re-appointed at the AGM. HKCG’s independent auditor, currently PricewaterhouseCoopers, is subject to re-appointment each year at the annual general meeting and re-appointed at the AGM.

Committees of the Board

HKCG's Board maintains a Board Audit and Risk Committee, a Remuneration Committee, a Nomination Committee and a Board Environmental, Social and Governance Committee.

Board Audit and Risk Committee

The Board Audit and Risk Committee reports directly to the Board of HKCG, reviews HKCG's financial information, and oversees HKCG's financial reporting system, risk management and internal control systems to protect the interests of HKCG's shareholders. The Board Audit and Risk Committee meets regularly with HKCG's external auditor to discuss various accounting issues, and reviews the effectiveness of the risk management and internal control systems of the Group semi-annually. The terms of reference of the Board Audit and Risk Committee have been posted on the websites of HKCG and the Hong Kong Stock Exchange, and are regularly reviewed and updated by the Board. The Board Audit and Risk Committee is comprised of four members of the Board: Dr. the Hon. Sir David Li Kwok-po, Prof. the Hon. Poon Chung-kwong, Dr. the Hon. Moses Cheng Mo-chi and Prof. Anna Wong Wai-kwan.

Remuneration Committee

The Remuneration Committee's responsibilities include but are not limited to making recommendations to the Board on HKCG's policy and structure for all remuneration of Directors and senior management (who are also executive directors of HKCG), reviewing and approving the special remuneration packages of all Executive Directors with reference to corporate goals and objectives resolved by the Board from time to time, determining, with delegated responsibility, the remuneration packages of individual executive directors and making recommendations to the Board on the remuneration of Non-executive Directors. Written terms of reference of the Remuneration Committee have been adopted by the Board and are posted on the websites of HKCG and the Hong Kong Stock Exchange, and are regularly reviewed and updated by the Board. The Remuneration Committee is comprised of six members of the Board: Dr. the Hon. Sir David Li Kwok-po, Dr. the Hon. Lee Ka-kit, Dr. Lee Ka-shing, Prof. the Hon. Poon Chung-kwong, Dr. the Hon. Moses Cheng Mo-chi and Prof. Anna Wong Wai-kwan.

Nomination Committee

The Nomination Committee's responsibilities include but are not limited to making recommendations to the Board on nominations and appointments of Directors and Board succession. The Nomination Committee is also responsible for reviewing the structure, size, composition (including the skills, knowledge and experience) and diversity of the Board, assessing the independence of Independent Non-executive Directors and making recommendations on any proposed changes to the Board. The Nomination Committee shall consider candidates from a range of backgrounds based on criteria set out by the Board. Written terms of reference of the Nomination Committee have been adopted by the Board and are posted on the websites of HKCG and the Hong Kong Stock Exchange, and are regularly reviewed and updated by the Board. The Nomination Committee is comprised of six members of the Board: Dr. the Hon. Lee Ka-kit, Dr. Lee Ka-shing, Dr. the Hon. Sir David Li Kwok-po, Prof. the Hon. Poon Chung-kwong, Dr. the Hon. Moses Cheng Mo-chi and Prof. Anna Wong Wai-kwan.

Board Environmental, Social and Governance Committee

The Board Environmental, Social and Governance ("ESG") Committee's responsibilities include but are not limited to assisting the Board in overseeing the Group's ESG development, strategies, policies and practices, and the management of ESG-related issues. In addition, the Board ESG Committee identifies and reviews ESG issues, risks and opportunities, tracks the Group's ESG performance, and recommends strategies for improvement. Written terms of reference of the Board ESG Committee have been adopted by the Board and are posted on the websites of HKCG and the Hong Kong Stock Exchange, and are regularly reviewed and updated by the Board. The Board ESG Committee is comprised of four members of the Board: Prof. Anna Wong Wai-kwan, Dr. the Hon. Moses Cheng Mo-chi, Mr. Peter Wong Wai-yee and Mr. Yeung Lui-ming.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

As at 31 December 2025, Henderson Land Development Company Limited (“Henderson Land”) owned approximately 41.53 per cent. of HKCG’s shares, and is a related party of HKCG. See *“Risk Factors – Risks Relating to HKCG’s Business – Henderson Land Development Company Limited owns a significant stake in HKCG’s shares and its interests may differ significantly from those of the Noteholders”*.

Dr. the Hon. Lee Ka-kit, Chairman and Non-executive Director of HKCG, is also a Chairman and Managing Director of Henderson Land and a Vice Chairman of Henderson Investment Limited. Dr. Lee Ka-shing, Chairman and Non-executive Director of HKCG, is also a Chairman and Managing Director of Henderson Land and Henderson Investment Limited. Dr. Colin Lam Ko-yin, Non-executive Director of HKCG, is also an Executive Director and Vice Chairman of Henderson Land and Henderson Investment Limited. Prof. Andrew Fung Hau-chung, Non-executive Director of HKCG, is also an Executive Director and Chief Financial Officer of Henderson Land. Prof. the Hon. Poon Chung-kwong, Independent Non-executive Director of HKCG, is also an Independent Non-executive Director of Henderson Land. See *“Directors and Management – Board of Directors”*.

Other related parties of HKCG include subsidiaries of Henderson Land. Members of the Group enter into transactions with Henderson Land and its subsidiaries from time to time. Those transactions include, for example:

- the development agreement which HKCG entered into with Henderson Land and its subsidiary in 2002 in relation to the property development at HKCG’s MTK south plant site (now known as the Grand Waterfront property development). Under the development agreement, a subsidiary of Henderson Land is entitled to 27 per cent. of the net sales proceeds of the residential units of the property development, and HKCG is entitled to the remaining 73 per cent. Subsidiaries of Henderson Land were also appointed as the project and sales manager, the construction manager and main contractor, the suppliers of certain materials, the leasing manager and the estate manager of the property development. The transactions were entered into on normal commercial terms;
- the Grand Promenade property development project in Sai Wan Ho, Hong Kong, in which a member of the Group and a subsidiary of Henderson Land each has a 50 per cent. interest; and
- a member of the Group has an interest of approximately 15.8 per cent. and a subsidiary of Henderson Land has an interest of approximately 34.2 per cent. in the company that owns the IFC complex in Central, Hong Kong.

The Group has also entered into other transactions with Henderson Land and its subsidiaries, including transactions for sale of goods and services, and other transactions on normal commercial terms.

Other related parties of HKCG also include a bank with common director with HKCG which is The Bank of East Asia, Limited (of which Dr. the Hon. Sir David Li Kwok-po, an Independent Non-executive Director of HKCG, is the Executive Chairman). The Group has entered into banking and financial transactions with The Bank of East Asia, Limited and its subsidiaries or related companies on an arm’s length basis or on normal commercial terms, and the Group expects to enter into similar transactions with it in the future.

Other transactions between the Group and related parties are disclosed in the notes to the financial statements of HKCG. As Towngas Smart Energy is a 69.25% consolidated subsidiary as at 31 December 2025, it is not treated as a related party for the purposes of the financial statements of HKCG. On the other hand, HKCG as shareholder of Towngas Smart Energy is seen as a related party in financial statements of Towngas Smart Energy and significant transactions are listed out.

Substantial Shareholding Interests in HKCG

As at 31 December 2025, so far as is known to the directors of HKCG, the interests of persons interested in 5 per cent. or more of the voting power at any general meeting of HKCG, as recorded in the register required to be kept under section 336 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”), were as follows:

Long Position in Shares

Name of persons interested	Capacity	Number of shares interested	Per cent. of the number of issued shares of HKCG
Disralei Investment Limited ⁽¹⁾	Beneficial owner	4,313,717,809	23.12
Timpani Investments Limited ⁽¹⁾	Interest of controlled corporations	5,989,193,083	32.10
Faxson Investment Limited ⁽¹⁾	Interest of controlled corporations	7,748,692,715	41.53
Henderson Land ⁽¹⁾	Interest of controlled corporations	7,748,692,715	41.53
Henderson Development Limited ⁽¹⁾	Interest of controlled corporations	7,748,692,715	41.53
Hopkins (Cayman) Limited ⁽²⁾ ⁽³⁾	Interest of controlled corporations	7,748,692,715	41.53
Riddick (Cayman) Limited ⁽²⁾ ⁽³⁾	Trustee	7,748,692,715	41.53
Rimmer (Cayman) Limited ⁽²⁾ ⁽³⁾	Trustee	7,748,692,715	41.53
Dr. the Hon. Lee Ka-kit ⁽²⁾ ⁽³⁾	Discretionary beneficiary of discretionary trusts	7,748,692,715	41.53
Dr. Lee Ka-shing ⁽²⁾ ⁽³⁾	Discretionary beneficiary of discretionary trusts	7,748,692,715	41.53
Macrostar Investment Limited ⁽¹⁾	Beneficial owner	1,759,499,632	9.43
Chelco Investment Limited ⁽¹⁾	Interest of controlled corporations	1,759,499,632	9.43
Medley Investment Limited ⁽¹⁾	Beneficial owner	1,675,475,274	8.98

Notes:

- (1) These 7,748,692,715 shares were beneficially owned by Macrostar Investment Limited (“Macrostar”), Medley Investment Limited (“Medley”) and Disralei Investment Limited (“Disralei”). Macrostar was a wholly-owned subsidiary of Chelco Investment Limited, which was in turn, a wholly-owned subsidiary of Faxson Investment Limited (“FIL”). Medley and Disralei were wholly-owned subsidiaries of Timpani Investments Limited, which was in turn, a wholly-owned subsidiary of FIL. FIL was a wholly-owned subsidiary of Henderson Land. Henderson Development Limited (“HD”) was entitled to exercise or control the exercise of more than one-third of the voting power at general meetings of Henderson Land.
- (2) These 7,748,692,715 shares are duplicated in the interests described in Note 1. Hopkins (Cayman) Limited (“Hopkins”) owned all the issued ordinary shares which carry the voting rights in the share capital of HD as trustee of a unit trust (“Unit Trust”). Rimmer (Cayman) Limited (“Rimmer”) and Riddick (Cayman) Limited (“Riddick”), as the relevant trustees of the respective discretionary trusts held units in the Unit Trust. Dr. the Hon. Lee Ka-kit and Dr. Lee Ka-shing, as discretionary beneficiaries of the discretionary trusts, were taken to have duties of disclosure in relation to these shares by virtue of Part XV of the SFO.
- (3) These 7,748,692,715 shares are duplicated in the interests described in Notes 1 and 2. All the issued shares in Rimmer, Riddick and Hopkins were beneficially owned by the late Dr. the Hon. Lee Shau-kee, and each of his sons, Dr. the Hon. Lee Ka-kit and Dr. Lee Ka-shing will inherit certain shares in Rimmer, Riddick and Hopkins. Rimmer and Riddick (the relevant trustees of the respective discretionary trusts) hold units in the Unit Trust of which Hopkins is the trustee as described in Note 2, but each is not entitled to any interest in its trust assets which are, in the ordinary course of business, held by Hopkins as trustee of the Unit Trust independently without any reference to shareholders of Hopkins, and each of Dr. the Hon. Lee Ka-kit and Dr. Lee Ka-shing remains to be one of the discretionary beneficiaries of such discretionary trusts.

BOOK-ENTRY CLEARANCE SYSTEMS

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 and the Guarantor believe to be reliable, but none of the Issuer, the Guarantor nor any Dealer takes 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. None of the Issuer, the Guarantor 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.

Book-entry Systems

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

CMU

The CMU is a central depository 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 Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together, “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 services is open to all financial institutions regulated by the HKMA, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU’s custodial services, please refer to the CMU Reference Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the “income proceeds”) by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual.

An investor holding an interest in the Notes through an account with either Euroclear or Clearstream will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within Euroclear, Clearstream and/or the CMU will be effected in accordance with the customary rules and operating procedures of the relevant Clearing System.

Euroclear, Clearstream and the CMU have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among accountholders of Euroclear, Clearstream and the CMU. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Guarantor, the Paying Agents, the Transfer Agent, the Registrar and the Dealers will be responsible for any performance by Euroclear, Clearstream or the CMU or their respective accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretations thereof in effect as at the date of this Offering Circular, all of which are subject to change, and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction are advised to consult their own professional advisers.

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 FISE 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 FISE 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 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 2024, 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.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a foreign financial institution (as defined by FATCA) 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 Hong Kong) 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 published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). However, if additional Notes (as described under “Terms and Conditions of the Notes – Further Issues”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in 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.

People’s Republic of China

Income Tax

The Issuer and the Guarantor take the position that they are not PRC resident enterprises. See “*Risk Factors*” for the risk of PRC resident enterprise treatment. If interest or gains on the Notes are regarded as PRC-sourced income, non-PRC resident enterprise holders without a PRC establishment or with income not effectively connected with such an establishment may generally be subject to income tax at 10 per cent., and non-PRC resident individual holders at 20 per cent., subject to applicable exemptions or treaty relief.

Value-Added Tax

The PRC Value-Added Tax Law and its implementing regulations took effect on 1 January 2026. Under Ministry of Finance and State Taxation Administration Announcement [2026] No. 9, financial services include loan services and transfers of financial products. Interest and income in the nature of interest received during the holding period (including at maturity) of financial products are treated as income from loan services.

Loan services fall within the PRC VAT regime where they are consumed in the PRC or the supplier is a domestic entity or individual. Services supplied by overseas entities or individuals to domestic entities or individuals are treated as consumed in the PRC, except for services consumed on-site outside the PRC. If interest on the Notes is subject to PRC VAT, interest payments by the Issuer or under the Guarantee to non-PRC resident Noteholders may be subject to withholding at 6 per cent., subject to applicable exemptions.

Under the Value-Added Tax Law, a transfer of financial products is treated as taking place within the PRC if the financial products are issued within the PRC or the seller is a domestic entity or individual. Accordingly, PRC VAT generally does not apply to transfers of Notes issued outside the PRC by overseas entities or individuals.

Stamp Duty

No PRC stamp duty is generally payable by a non-PRC resident holder solely in respect of the ordinary acquisition, holding or transfer outside the PRC of Notes issued outside the PRC. This does not address any separately executed taxable instrument, including a taxable instrument executed outside but used within the PRC.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement dated 29 September 2026 (such agreement as further amended and/or supplemented and/or restated from time to time, the “Programme Agreement”), agreed with the Issuer and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes”. In the Programme Agreement, the Issuer (failing which, the Guarantor) has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuer, the Guarantor and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer, the Guarantor and/or their respective affiliates in the ordinary course of their business. The Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution.

The Dealers or their respective affiliates may purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to Notes and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of Notes).

The Dealers 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 or the Guarantor, and therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering of the Notes. Accordingly, references herein to the Notes being ‘offered’ should be read as including any offering of the Notes to 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. The Issuer, the Guarantor and the Dealers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors.

Notice to capital market intermediaries and prospective investors pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). 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 Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the 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 Guarantor 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 or the Guarantor. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the 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 Manager(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 Guarantor, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for 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.

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or, if Category 2 is specified in the Pricing Supplement, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from or not subject to 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.

The Notes in bearer form 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 a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Pricing Supplement will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

If Category 2 is specified in the Pricing Supplement, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

If Category 1 is specified in the Pricing Supplement, the Notes are being offered and sold only outside the United States in offshore transactions in reliance on, and in compliance with, Regulation S.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer, the Guarantor and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, 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:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “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 the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA, 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 such Notes to the public in that Member State:

- (a) if the Pricing Supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the 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 Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or pricing supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the 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, the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, 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 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 POATRs; 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 buy or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, 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 of such Notes to the public in the United Kingdom:

- (a) 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) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;
- (c) 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) 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 regulatory restrictions in the United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) 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 (ii) 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 as 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 agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) 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 Guarantor; and
- (c) 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.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “FIEA”). Accordingly, 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 (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold, and will not offer or sell in Hong Kong by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong, the “Securities and Futures Ordinance”) other than (i) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under the Securities and Futures Ordinance, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

- (b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under the Securities and Futures Ordinance.

The People’s Republic of China

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People’s Republic of China.

Singapore

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, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant 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.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, the Guarantor and any of the other Dealers shall have any responsibility therefor.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

None of the Issuer, the Guarantor and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme and the issue of the Notes thereunder have been duly authorised by a resolution of the Board of Directors of the Issuer dated 15 May 2009, a resolution of a committee of the Board of Directors of the Issuer dated 13 December 2010, resolutions of the Board of Directors of the Issuer dated 17 April 2012, 28 June 2019, 1 June 2021, and 18 September 2026. Each issue of Notes will be separately approved by the Board of Directors (or a committee thereof) of the Issuer.

Guarantee

The giving of the Guarantee has been duly authorised by a resolution of HKCG's Board of Directors on 15 May 2009, a resolution of HKCG's Board of Directors on 25 November 2011, a resolution of a committee of the Board of Directors of HKCG on 17 April 2012, 28 June 2019, 1 June 2021 and 18 September 2026.

Consents

All consents, approvals, authorisations or other orders as may be required by the Issuer have been given for the establishment of the Programme and for the Issuer to undertake and perform its obligations under the Notes to be issued under the Programme and the documents entered into in connection with the Programme to which the Issuer is a party.

All consents, approvals, authorisations or other orders as may be required by HKCG has been given for the creation and issue of the Guarantee and for HKCG to undertake and perform its obligations under the Guarantee and the documents entered into in connection with the Programme to which HKCG is a party.

Listing of Notes

Application has been made to the Hong Kong Stock Exchange for the listing of the Programme under which Notes may be issued by way of debt issues to Professional Investors only, and application may be made for the listing of, and permission to deal in, the Notes to be issued under the Programme during the 12-month period after the date of this Offering Circular. The issue price of Notes listed on the Hong Kong Stock Exchange will be expressed as a percentage of their nominal amount.

Clearing systems

The Notes to be issued under the Programme have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream will be specified in the applicable Pricing Supplement. The Issuer may also apply to have the Notes accepted for clearance through the CMU. The relevant CMU instrument number 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 specified in the applicable Pricing Supplement.

No material adverse change

Save as disclosed in this Offering Circular, there has been no material adverse change in the financial position or prospects of the Issuer, HKCG or the Group since 30 June 2026.

Litigation

None of the Issuer, HKCG or any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or HKCG is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer, HKCG or the Group.

Auditor

The independent auditor of the Issuer and HKCG is PricewaterhouseCoopers who are independent Certified Public Accountants. PricewaterhouseCoopers have audited HKCG's consolidated financial statements, and have issued an unqualified audit opinion, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") for the financial years ended 31 December 2024 and 2025. PricewaterhouseCoopers have reviewed HKCG's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA.

Documents

So long as Notes are capable of being issued under the Programme, copies of the following documents will be available from the registered office of the Issuer and the Guarantor and from the specified office of the Paying Agent for the time being in Hong Kong:

- (a) the constitutional documents of the Issuer and the Guarantor;
- (b) the two most recently published annual audited consolidated financial statements of the Guarantor in respect of the financial years ended 31 December 2024 and 2025;
- (c) the most recently published half yearly unaudited condensed consolidated interim financial statements of the Guarantor in respect of the six months ended 30 June 2026;
- (d) the most recent audited annual financial statements of the Issuer that have been filed with the Companies Registry of Hong Kong;
- (e) the Programme Agreement, the Agency Agreement, the Guarantee, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;
- (f) a copy of this Offering Circular;
- (g) any future offering circulars, prospectuses, information memoranda and supplements including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer, the Guarantor and the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference;
- (h) in the case of each issue of listed Notes subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document); and
- (i) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.

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