7KH IROORZLQJ DFFHVVLQJ DQG XVLQJ WKLV SDJH WKH IROORZLQJ WHUPV DQG FRQGLWLRQV DUH WKHUHIRUH DGYLVHG WR UHDG UHDGLQJ DFFHVVLQJ RU PDNLQJ DQ\ RWKHU XVH RI WKH 2IIHULQJ DJUHH WR EH ERXQG E\ WKH IROORZLQJ WHUPV DQG FRQGLWLRQV RI XVH DQG DOO WHUPV DQG FRQGLWLRQV RI XVH UHFHLYH DQ\ LQIRUPDWLRQ IURP XV DV D UHVXOW RI VXFK DFFHVV

127+,1* ,1 7+,6 (/(&7521,& 75$160,66,21 &2167,787(6 $1 2))(5 2) 6(&85 6$/(,1 7+(81,7(' 67$7(6 25 $1< 27+(5 -85,6',&7,21 :+(5(,7 ,6 81/$:)8/ 62 7+(6(&85,7,(6 +$9(127 %((1 $1' :,// 127 %(5(*,67(5(' 81'(5 7+(67$7(6 6(&85,7,(6 $6 $0(1'(' 7+(

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 subsequent person offering, selling or recommending the Notes (a "distributor") should take into consideration the

ZRXOG QRW TXDOLI\ DV D SURIHVVLRQDO FOLHQW DV GHILQHG LQ S
DV LW IRUPV SDUW RI GRPHVWLF ODZ E\ YLUWXH RI WKH (8:$ &RQV
E\ 5HJXODWLRQ (8 1WW IRUPV SDUW RI GRPHVWLF ODZ E\ YLUWXH R
´ IRU RIIHULQJ RU VHOOLQJ WKH 1RWHV RU RWKHUZLVH PDNL
KDV EHHQ SUHSDUHG DQG WKHUHIRUH RIDNULQJWRUHVDOYLQJEWKHW
LQYHVWRU LQ WKH 8. PD\ EH XQODZIXO XQGHU WKH 8. 35,,3V 5HJXC

±7KH 3ULFLQJ 6XSSOHPHQW
RI DQ\ 1RWHV PD\ LQFO[GLQJ DSRUJHQHUDO XQVROLFLWHG)XWKHUKV $FW 3
ZLOO VWDWH WKH SURGXFW FODVVLILFDWLRQ RI WKH 1RWHV SXUV
5HYLVHG RG6WQRDS3RU1H WKH

7KH ,VVXHU ZLOO PDNH D GHWHUPLQDWLRQ LQ UHODWLRQ WR HDFK
IRWKSHXUSRVHV RI VHFWLRQ % D $Q\ VXFK OHJHQG LQFOXGHG
FRQVWLWX³WHQHOHYDQWWKHUSRVHV RI VHFWLRQ % F RI WKH 6)S

7KLV GRFXPHQW LQFOXGHV SDUWLFXODUV JLYHQ LQ FRPSOLDQFH Z
7KH 6WRFN ([FKDQJH RI +RQJ .RQJ /LPLWHG IRU WKH SXUSRVH RI JL
WKH *UHHQ ,VVXHU DFFHSWV IXOO UHVSRQVLELOLW\ IRU WKH DFFXU
DQG FRQILUPV KDYLQJ PDGH DOO UHDVRQDEOH HQTXLULHV WKDW
RWKHU IDFWV WKH RPLWVLRQ \RX WKLQN HHZRXOGKHDEOLQ PLVOHD

7KH ,VVXHU KDYLQJ PDGH DOO UHDVRQDEOH HQTXLULHV FRQILUPV
ZLWK UHVSHFW WR WKH ,VVXHU DQG³LWV ³VXERVLGLDULHV3UHGHFHVVRU EXV
DQG WKH 1RWHV ZKLFK LV PDWHULDO LQ WKH FRQWH[W RI WKH 3
GLVWULEXWLRQ RI WKH 1RWHV UHOHYDQWWKLQJVWRWHHQWHUHGLQWR
PDWHULDO UHVSHFW WUXH DQG DFFXUDWH DQG QRW PLVOHDGLQJ
*URXS WKH 3URJUDPPH DQG WKH 1RWHV WKH RPLVVLRQ RI
LVVXH RIIHULQJ VDOH PDUNHWLQJ RU GLVWULEXWLRQ RI WKH 1
PLVOHDGLQJ LLL WKH VWDWHPHQWV RI LQWHQWLRQ RSLQLRQ E
DUH KRQHVWRQ\DEOH DUHG RU KHOG DQG KDYH EHHQ UHDFKHG DIWH
DQG EDVHG RQ UHDVRQDEOH DVVXPSWLRQV LY DOO UHDVRQDEOH
VXFK IDFWV DQG WR YHULI\ WKHQ DFFXUDWHQHVV RI DQ\ VXFK
RU RWKHU PDWHULDO GRFXPHQWV GHVFULEHG LQ WKLV 2IIHULQJ &
VXPPDULVH WKH FRQWHQWV RI VXFK FRQWUDFWVLERLOLGWR\FXPHQWV
LQIRUPDWLRQ FRQWDLQHG LQ WKLV 2IIHULQJ &LUFXODU

(DFK 7UDQFKH DV GHILQHG LQ WKH &RQGLWLRQV RI 1RWHV WHPV ZLOO
DQG &RQGLWLR´QWRRH WKH 1RWHV EHVHQGHG DQG RU VXSSOHPHQWHG E
VXFK 7UDQFKH E\ D 3ULFLQJ 6XSSOHPHQW 7KLV 2IIHULQJ &LUFXOD
FRQVWUXHG WRJHWKHU ZLWK DQ\ DPHQGPHQWV RU VXSSOHPHQWV
UHIHUHQFH KHUHLQ DQG LQ UHODWLRQ WR DQ\7HUUDQFKH RI1RWHV
3ULFLQJ 6XSSOHPHQW 7KLV 2IIHULQJ &LUFXODU DQG DQ\ 3ULFLQJ
EDVLV WKDW VXFK GRFXPHQWV DUH LQFRUSRUDWHG LQ DQG IRUP S

7KLV 2IIHULQJ &LUFXODU LV WR EH UHDG LQ FRQMXQFWLRQ ZLWK
UHIHUHQ,FHRVPDWLRQ ,QFRUS´RUDWHG 7KLWH2IIE\5HJXODWLRQ&LUFXODU VKDOO EH
RQ WKH EDVLV WKDW VXFK GRFXPHQWV DUH LQFRUSRUDWHG LQ DQ

7KLV 2IIHULQJ &LUFXODU KDV EHHQ SUHSDUHG E\ WKH ,VVXHU IRU X
RXWVLGH WKH 8QLWHG 6WDWHV 7KH ,VVXHU WKH $UUDQJHU DQG

SXUFKDVH WKH 1RWHV LQ ZKROH RU LQ SDUW IRU DQ\ UHDVRQ 7
DQ\ SHUVRQ LQ WKH 8QLWHG 6WDWHV 'LVWULEXWLRQ RI WKLV 2IIH
XQDXWKRUL]HG EH[GWDKRXWLRFKVUR ZULWWHQ RI WKH SXU
SHUVRQ ZLWKLQ WKH 8QLWHG 6WDWHV LV SURKLELWHG

7KH GLVWULEXWLRQ RI WKLV 2IIHULQJ &LUFXODU DQG DQ\ 3ULFLQJ
MXULVGLFWLRQV PD\ EH UHVWULFWHG E\ ODZ 3HUVRQV LQWR ZKR
6XSSOHPHQW FRPHV ,DVVHUWTWKUHHSUEDQJHU DQG WKH 'HDOHUV WR
REVHUYH DQ\ VXFK UHVWULFWLRQV 1R DFWLRQ LV EHLQJ WDNHQ W
RI WKLV 2IIHULQJ &LUFXODU DQG DFW3URFLZKH6XSSOHPHQW RQ

MXULVGMXÀ °H1G 0O¶R DOLUFó™o° î€V 0

3URVSHFWLYH LQYHVWRUV ZKR DUH WKH GLUHFWRUV HPSOR\HHV F
FRPSDQLHV ZRXOG EH FRQVLGHUHG XQGHU WKH 6)& &RGH DQG VKRXOG
WKH &0, RU WKH UHOHYDQW JURXS FRPSDQ\ 3URVSHFWLYH LQYHVW
LWV JURXS FRPSDQLHV VKRXOG VSHFLILFDOO\ GLVFORVH WKLV ZK
GLVFORVHVHVDDPW WKH LPH LI VXFK RUGHUV HPDG\QHRDWLYSOUEHSDFWQ WK
UHOHYDQW &0, 2IIHULQJ 3URVSHFWLYH LQYHVWRUV ZKR GR QRW G
EH VR DVVRFLDWHG :KHUH SURVSHFWLYH LQYHVWRUV GLVFORVH V
PD\ QHJDWLYHO\ LPSDFW WKH SULFH GLVFRYHU\ SURFHVV LQ UHODV
GHHPHG QRW WR QHJDWLYHO\ LPSDFW WKH SULFH GLVFRYHU\ SURF

3UWRSVHFWLYH LQYHVWRUV VKRXOG HQVXUH DQG E\ SODFLQJ DQ RU
RUGHUV SODFHG DUH ERQD ILGH DUH QRW LQIODWHG DQG GR Q
FRUUHVSRQGLQJ RU LGHQWLFDO RUGHUV HSHUHV&SVDFHGHUHEDWH PD\ EH RI
SULYDWH EDQNV IRU RUGHUV WKH\ SODFH RWKHU WKDQ LQ UHODW
ZKHUHE\ LW LV GHSOR\LQJ LWV RZQ EDODQFH VKHHW WR XQGHUZULWH
UHOHYDQW &0, 2IIHULQJ EDVHG RQ WKH SULQFLSDO DPRXQW RI WKH
3ULYDWH EDQNV DUH GHHPHG WR EH SODFLQJ DQ RUGHU RQ D SULQ
D UHVXOW SULYDWH EDQNV SODFLQJ DQ RUGHU RQ D SULQFLSDO
SULQFLSDO ZLOO QRW EH HQWLWO'HHGDWLRQVDRQGDQLVXEHRWHEEDWHLZ
WKH DSSOLFDEHPH3QWLFRQJRWXSHUZLVH QRWLILHG WR SURVSHFWLYH
DVVHW PDQDJHPHQW DUP DIILOLDWHG ZLWK DQ\ UHOHYDQW 'HDOH
SODFLQJ DQ RUGHU LI LW LV IRUDDQWXQHGRHUSRUWLWWOLJRZKHFRPSKD
LQWHUHVW LQ ZKLFK FDVH LW ZLOO EH FODVVLILHG DV D ³SURS
&0,V LQ DFFRUGDQFH ZLWK WKH 6)& &RGH DQG VKRXOGGGHUVFRQH
QHJDWLYHO\ LPSDFW WKH SULFH GLVFRYHU\ SURFHVV LQ UHODWLR
ZKR GR QRW LQGLFDWH WKLV LQIRUPDWLRQ ZKHQ SODFLQJ DQ RUG
D ³SURSULHWDU\ WUDGLQJ SURJUDP´ LI LW LV QRW DQ RUGHU RU LV RWKHUZLVH DIILOLDW
RUGHU PD\ EH FRQVLGHUHG WR EH D ³SURSULHWDU\ RUGHU´ SXU
YPKERRpÀ³PQT@L EDEQV H PVT& W@K pH RUGHPOGeHYUXQ3WHRKBEWLZHHQSYHIVFRQJVZKF
LQIRUPDWLRQ ZKHQ SODFLQJ DQ RUGHU DUH KHUHE\ GHHPHG WR F
qKBUGHBEWLVHHRWHUWLQYFHP `LpQUYH VZKRU\HGHVFRHWVRXKRUQHRUSHDW"RQ6E
QHJDWLYHO\ LPSDFW WKH SULFH GLVFRYHU\ SURFHVV LQ UHODWLR
LV KHUHE\ GHHPHG QRW WR QHJDWLYHO\ LPSDFW WKH SULFH GLVF

XSRQ DV D SURPLVH RU UHSUHVHQWDWLRQ DV WR WKH IXWXUH SH
WKH GHOLYHU\ RI WKLV 2IIHULQJ &LUFXODU DQG DQ\ 3ULFLQJ 6XSS
FRQQHFWLRQ ZLWK WKH VDOH RU GHOLYHU\ DQ\ FLUFXPVWDQFHV FRQV
EHHQ QR FKDQJH RU GHYHORSPHQW UHDVRQDEO\ OLNHO\ WR LQYR
HLWKHU WKH P VLQFH WKH GDWH KHUHRI WKH FLQHR WPDWLRQ SRQWDLQ
DW DQ\ GDWH VXEVHTXHQW WR WKH GDWH KHUHRI 7KLV 2IIHULQJ &
DQ RIIHU RI RU DQ LQYLWDWLRQ E\ RU RQ EHKDOI RI WKH ,VVXHU
VXEVFULEH IRU RU SXUFKDVH DQ\ RI WKH 1RWHV DQG PD\ QRW EH
E\ DQ\RQH LQ DQ\ MXULVGLFWLRQ RU LQ DQ\ FLUFXPVWDQFHV LQ
XQDZIXO

1R UHSUHVHQWDWLRQ RU ZDUUDQW\ H[SUHVV RU LPSOLHG LV PDG
WKH $JHQWV RU DQ\ RI WKHLU UHVSHFWLYH DIILOLDWHV GLUHFWR
SHUVRQ ZKR FRQWHPSODWHV GRHV RU KDV RQ WKH DFFXUDF\ FRPSOHWHQHVV RU VXI
LQ WKLV 2IIHULQJ &LUFXODU DQG QRWKLQJ FRQWDLQHG LQ WKLV 2
UHSUHVHQWDWLRQ RU ZDUUDQW\ RU XQGHUWDNLQJ RU FRQGLWLRQ
'HDOHUV WKH 7UXVWHH RU DQ\ RI WKHLU GLUHFWRUV RIILFHUV DJHQWV
&KLHI)LQDQFLDO 2IILFHU DQG &RUSRUDWH 6HFUHWDU\ RI WKH$ PDWHULDO
LV QRW LQWHQGHG WR SURYLGH WKH EDVLV RI DQ\ FUHGLW RU
UHFRPPHQGDWLRQ E\ DQ\ RI WKH ,VVXHU WKH $UUDQJHU WKH 'HD
WKLV 2IIHULQJ &LUFXODU SXUFKDVH WKH 1RWHV (DFK SRWHQWLDO

'HDOHUV WKH 7UXVWHH RU WKH $JHQWV LQ FRQQHFWLRQ ZLWK LW
LWV LQYHVWPHQW GHFLVLRQ

7KLV 2IIHULQJ &LUFXODU GRHV QRW GHVFULEH DOO RI WKH ULVNV
WR HDFK 3URVSHFWLYH ,QYHVWRU RI 1RWHV &HUWDLQ FLUFXPVWDQFHV RI DQ LQYHVWPHQW LQ
SXUFKDVH RI 1RWHV VKRXOG UHIHU WR DQG FRQVLGHU FDUHIXO
LVVXH RI 1RWHV ZKLFK PD\ GHVFULEH WKH FKDUDFWHULVWLFV
7KH ULVNV DQG LQYHVWPHQW FRQVLGHUDWLRQV GLVFXVVHG KHUHLQ
DUH SURYLGHG DV JHQHUDO LQIRUPDWLRQ RQO\

,QYHVWRUV VKRXOG FRQVXOW WKHLU RZQ ILQDQFLDO WD[DFFRX
FRQVLGHUDWLRQV DULVLQJ IURP DQ LQYHVWPHQW LQ DQ LVVXH RI
DQDO\VH VXFK LQYHVWPHQW LQ WKHLU SDU

1RWHV LVVXHG XQGHU WKH 3URJUDPPH PD\ EH GHQRPLQDWHG LQ
FRQYHUWLEOH DQG FRQYHUVLRQ RI 5HQPLQEL LV VXEMHFW WR FHU
FRQYHUVLRQ ULVN ZLWK 5HJDUG WR &RQYHUWLEOH 1RWHV &HUWDLQ ULVN DVVR
SDUWLFXODUO\ LI VXFK LQYHVWPHQWV GR QRW KDYH DQ DFWLYH
VSUHDGV

This Offering Circular contains the consolidated financial information of the Group as at and for the year ended 31 December 2022 (the "2022 Audited Consolidated Financial Statements") and as at and for the year ended 31 December 2023 (the "2023 Audited Consolidated Financial Statements" and together with the 2022 Audited Consolidated Financial Statements, the "Audited Consolidated Financial Statements"). The Audited Consolidated Financial Statements have been audited by KPMG, Certified Public Accountants, Hong Kong, and prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), and have been included elsewhere in this Offering Circular.

$V XVHG LQ WKLV 2IIHULQJ &LUFXODU ¶3ULQFLSDO $PRXQW¶ LV RQH WKDW SUHV
IXWXUH ILQDQFLDO SHUIRUPDQFH ILQDQFLDO SRVLWLRQ RU FDVK
EH VR H[FOXGHG RU RWKHUZLVH GLIIHUHQW IURP RU LQFRQVLVWHQW ILQDQFLDO
PHDVXUH ZKLFK LV GHILQHG DV SURILWV EHIRUH WD[QHW ERUURZ
DV XVHG LQ WKLV 2IIHULQJ &LUFXODU ¶1RQ3HUIRUPLQJ &RQGXFW¶ GRHV
QRW UHTXLUH E\ RU SUHVHQWHG LQ DFFRUGDQFH ZLWK +.)56 RU
RWKHU FRXQWULHV ,W VKRXOG QRW EH FRQVLGHUHG (%,7'$ RU ILQDQFLDO SHUIRUPDQFH
RU DQ\ RWKHU JHQHUDOO\ DFFHSWHG DFFRXQWLQJ SULQFLSOHV D
LQFRPH RSHUDWLQJ LQFRPH RU DQ\ RWKHU SHUIRUPDQFH PHDVXUH
JHQHUDOO\ DFFHSWHG DFFRXQWLQJ SULQFLSOHV RU DV DQ LQGLFDWRU
D VXEVWLWXWH IRU WKH DQDO\VLV RI WKH ILQDQFLDO FRQGLWLR
+.)56)XUWKHU (%,7'$ PD\ QRW UHIOHFW DOO RI WKH FDVK
*URXS ,Q SDUWLFXODU (%,7'$ GRHV QRW UHIOHFW WKH FDSLWDO
DGGLWLRQDO FDSLWDO WKDW PD\ EH UHTXLUHG WR UHSODFH DVVHW
PD\ FDXVH RU GHILQH (%,7'$ GLIIHUHQWO\ OLPLWLQJ LWV XVHIXOQH

Unless otherwise indicated, all references in this Offering Circular to "China" or the "PRC" are to the People's Republic of China and, for the purpose of this Offering Circular only and unless the context otherwise requires, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, all references to

³Hong Kong´ are to the Hong Kong Special Administrative Region of China. References herein to the ³U.S.´ or the ³United States´ are to the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

8QOHVV RWKHUZLVH VSHFLILHG RU WK³H FRQ´WH[W RUHTXLUHV WKH ODZIXO FXUUHQF\ RI WK³H 35& UHI³HUHQFHV ´KH UH´LQ WR WKH ODZIXO FXUUHQF\ RI +RQJ ³RQJ DQG UHIHUHQFHV WKHUHLQ WR

They appear in a number of places throughout this Offering Circular and include statements regarding the Issuer¶s intentions, belief or current expectations concerning, among other things, the Group¶s results of operations, financial condition, liquidity, prospectus, growth, strategies and the industry in which the Group operates.

%\ WKHLU QDWXUH LQIRUZDUG ORRNLQJ VWDWHPHQWV DUH VXEMHFW WR QXPHURXV EHFDXVH WKH\ UHODWH WR HYHQWV DQG GHSHQG RQ FLUFXPVWDQ DUH FDXWLRQHG QRW WR SODFH XQGXH UHOLDQFH RQ IRUZDUG ORRNLQJ VWDWHPHQWV ZKLFK VSHDN RQO DFWXDO UHVXOWV RI RSHUDWLRQV ILQDQFLDO FRQGLWLRQ DQG O WKH\ RSHUDWH PD\ GLIIHU PDWHULDOO\ IURP WKRVH H[SUHVVHG RU LPSOLHG LQ WKH IRUZDUG ORRNLQJ VWDWHPHQWV FRQWDLQHG LQ WKLV 2IIHULQJ &LUFXODU 7KHVH IRUZDUG ORRNLQJ VWDWHPHQWV DUH EDVHG RQ QXPHURXV DVVXPSWLRQV UHJDUGLQJ WKH *URXS¶V SUHVHQW DQG IXWXUH EXVLQHVV VWUDWHJLHV DQG WKH HQYLURQPHQW LQ ZKLFK WKH *URXS ZLOO RSHUDWH LQ WKH IXWXUH ,PSRUWDQW IDFWRUV WKDW FRXOG FDXVH DFWXDO UHVXOWV RU HYHQWV WR GLIIHU PDWHULDOO\ IURP FXUUHQW H[SHFWDWLRQV LQFOXGH EXW DUH QRW OLPLWHG WR JHQHUDO HFRQRPLF DQG EXVLQHVV FRQGLWLRQV FKDQJHV LQ WKH UHJXODWRU\ HQYLURQPHQW DQG FKDQJHV WR WKH *URXS¶V EXVLQHVV VWUDWHJ\ $Q\ IRUZDUG ORRNLQJ VWDWHPHQWV LQ WKLV 2IIHULQJ &LUFXODU DUH PDGH DV RI WKH GDWH RI WKLV 2IIHULQJ &LUFXODU DQG QHLWKHU WKH *URXS QRU DQ\ RWKHU SHUVRQ DFW VXFK VWDWHPHQWV IRU FXUUHQW DQG DQ\ SULRU SHULRGV DUH QRW LQWHQGHG WR SHUIRUPDQFH DQG VKRXOG RQO\ EH YLHZHG DV KLVWRULFDO GDWD

7KLV 2IIHULQJ &LUFXODU VKRXOG EH UHDG DQG FRQVWUXHG LQ FR

(i) HDFK UHOHYDQW 3HUVRQ &RQFHUQHG KDV VXEVFULEHG RU 7DNHQ FKH RI 1RWHV

(ii) DOO DPHQGPHQWV DQG VXSSOHPHQWV WR WKLV 2IIHULQJ &LUFX

ZKLFK VKDOO EH GHHPHG WR EH LQFRUSRUDWHG LQ DQG WR IRUP GHHPHG WR PRGLI\ RU VXSHUVHGH WKH FRQWHQWV RI WKLV 2IIHUL

Any statement contained in this Offering Circular or in a document incorporated by reference into this Offering Circular will be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained in any such subsequent document modifies or supersedes that statement. Any statement that is modified or superseded in this manner will no longer be a part of this Offering Circular except as modified or superseded.

7KH IROORZLQJ VXPPDU\ LV D EULHI VXPPDU\ RI WKH 3URJUDPPH)
WKH 1RWHV UHSRUW DQG &RQGLWLRQDO 3URYLVLRQV XVHG KHUHLQ D
PHDQLQJV JLYHQ WR VXFK WHUPV &RQGLWLRQDO 3URYLVLRQV LQ WKH
VXPPDU\ UHIHU WR WKH FRUUHVSRQGLQJ &RQGLWLRQV LQ WKH 7HU

*/3 &KLQD +ROGLQJV Vp gLP*äWHG ¶ –
/HJDO (QWLW\ ,GHQWLILHU LV

0HGLXP 7HUP 1RWH 3URJUDPPH

8S WR +. RU WKH HTXL\
DW WKH GDWH RI LVVXH DJJUHJ
RXWVWDQGLQJ DW DQ\ RQH WLPH
DJJUHJDWH QRPLQDO DPRXQW RI W
WKH WHUPV RI WKH 3URJUDPPH

,QYHVWLQJ LQ 1RWHV XQGHU WKH
7KH SULQFLSDO ULVN IDFWRUV WK
,VVXHU WR IXOILO WKH REOLJDWLR
'HHG DUH GLVFXVVHG LQ WKH 5LVN)DFWRUV

0RUJDQ 6WDQOH\ &R ,QWHUQDWL

0RUJDQ 6WDQOH\ ,QWHUQDWLRQDO SOF

)RU D GHVFULSWLRQ RI FHUWDLQ
GHOLYHULHV RI 1RWHV DQG WKH
UHODWLQJ WR WKH 1RWHV &XVWRG\ 6HWWOH
)XUWKHU UHVWULFWLRQV PD\ DSSO
6HULHV RU 7UDQFKH RI 1RWHV

&LWLFRUS ,QWHUQDWLRQDO /LPLW

&LWLEDQN 1 $ /RQGRQ %UDQFK

&LWLEDQN (XURSH SOF *HUPDQ\ %

&LWLFRUS ,QWHUQDWLRQDO /LPLW

7KH 1RWHV PD\ EH LVVXHG IURP
EDVLV 7KH 1RWHV ZLOO EH LVVXHG
RQH RU PRUH LVVXH GDWHV DQG
LGHQWLFDO RWKHU WKDQ LQ UHVSHF
WKH 1RWHV RI HDFK 6HULHV EHLQ
ZLWK DOO RWKHU 1RWHV RI WKDW
LQ WUDQFKHV HDFK WKH VDPH RU
GDWHV 7KH VSHFLILF WHUPV RI H
WKH 3ULFLQJ 6XSSOHPHQW

1RWHV PD\ EH LVVXHG DW WKHLU
SUHPLXP WR WKHLU QRPLQDO DPR

LVVXHG WKH LVVXH SULFH RI ZKL
LQVWDOPHQWV

&OHDUVWUHDP (X&UR&DQHDULQ&HOW
7UDQFKH VXFK RWKHU FOHDULQJ
WKH ,VVXHU WKH 7UXVWHH DQG W

6XEMHFW WR FRPSOLDQFH ZLWK D
GLUHFWLYHV 1RWHV PD\ EH LVVXH
WKH ,VVXHU DQG WKH 5HOHYDQW '

1RWHV ZLOO EH LVVXHG LQ VXFK
EHWZHHQ WKH ,VVXHU DQG WKH
PLQLPXP GHQRPLQDWLRQ RI HDFK
DOORZHG RU UHTXLUHG IURP WLPH
HTXLYDOHQW DQG ZKR RU UHJXODW
UHOHYDQW &HUWDLQ 5HVWULFWLRQ

7KH 1RWHV FRQVWLWXWH GLUHFW
&RQGLWLRQ D XQVHFXUHG REOL
DOO WLPHV SDUL SDVVX WKHPVHOYHV
SDVVX ZLWKRXW DQ\ SUHIHUHQF
SUHVHQW DQG IXWXUH XQVHFXUHG
VXFK REOLJDWLRQV DV PD\ EH SUH
DUH ERWK PDQGDWRU\ DQG ³RHUJHQ
&RQGLWLRQV² RWKHUZLVH WKH 1RW

6XEMHFW WR FRPSOLDQFH ZLWK WKH
GLUHFWLYHV DQ\ PDWXULW\ DV PD
WKH 5HOHYDQW 'HDOHUV

7KH 1RWHV ZLOO EH LVVXHG LQ EH
LQ)RUP RI WKH 3UHFLQJ 6XSSOHPH
5HJLVWHUHG 1RWHV ZLOO QRW EH
YLFH YHUVD

(DFK 7UDQFKH RI %HDUHU 1RWHV
7HPSRUDU\ *OREDO 1RWH RU D 3HU
LQ WKH UHOHYDQW 3UHFLQJ 6XSSO
GHSRVLWHG RQ WKH ,VVXH 'DWH
(XURFOHDU RU &HDUVWUHDP RU DQ\ RWK
FRPSDWLEOH ZLWK (XU â1Y†ñf5.`]GH

&OHDUVWUHDP RU LQ UHVSHFW RI DQ\ RWKHU DJU
DV DSSURSULDWH

%HDUHU 1RWHV ZLOO EH LVVXHG L
WD[UXOHV %HDUHU 1RWHV ZLOO
LQ VXEVWDQWLDOO\ WKH VDPH IR
† F L ' IRU SXUSRVHV RI 6
,QWHUQDO 5HYHQXH &RGH WKH XQOHVV\
UHOHYDQW 3ULFLQJ 6XSSOHPHQW
LVVXHG LQ FRPSOLDQFH ZLWK UXO
8 6 7UHDVXU\ 5HJXODWLRQ& † IRU
6HFWLRQWKH R8I 6 ,QWHUQDO ³5HYH
´ RU LL WKH %HDUHU 1RWH
FRPSOLDQFH ZLWK WKH 7()5$ ' 5XO
LQ FLUFXPVWDQFH LQ ZKLFK WK
³UHJLVWUDWLRQ UHTXLUHPHQWV IRU FHUWDLQ
SXUSRVHV ZKLFK FLUFXPVWDQFH
3ULFLQJ 6XSSOHPHQW ,I WKH 7()5
UHOHYDQW 3ULFLQJ 6XSSOHPHQW
QR&Q 6 EHQHILFLDO RZQHUVKLS ZLOO
DQ\ H[FKDQJH RI DQ LQWHUHVW L
UHFHLSW RI DQ\ SD\PHQW RI LQW
*OREDO 1RWH

(DFK 7UDQFKH RI 5HJLVWHUHG 1RV
UHOHYDQW 3ULFLQJ 6XSSOHPHQW
&HUWLILFDWH ³)RUHLJQ &RUSRUDWLRQ
GHSRVLWHG RQ RU DERXW LWV LV
IRU DQG UHJLVWHUHG LQ WKH QD
&OHDUVWUHDP RU LQ UHVSHFW RI
WK&H08 WKH *OREDO &HUWLILFDWH
FXVWRGLDQ 0$DVWRSHUDWRQG WKH
LQ WKH 0HPRUDQ RI WLWK UHVSHFW WK
D 'HDOHU RI DQ XQVROG DOORWP
LQWHUHVWV LQ D *OREDO &HUWLIL
WKURXJK (XURFOHDU &R08 &OHDUVW

$SSOLFDWLRQ ZLOO EH PDGH WR
&HUWLILFDWHV RI DQ\ 7UDQFKH DF
WKURXJK WKH IDFLOLWLHV RI (&08R
DV DSSURSULDWH

)L[HG LQWHUHVW ZLOO EH SD\DEOI
PD\ EH DJUHHG EHWZHHQ WKH ,VV
RQ UHGHPSWLRQ DQG ZLOO EH FD
&RXQW)UDFWLRQ DV VSHFLILHG L

)ORDWLQJ 5DWH1RWHV WR EH ,VVXHG SD
GHWHUPLQHG VHSDUDWHO\ IRU HD

(i) RQ WKH VDPH EDVLV DV WKH
LQWHUHVW UDWH VZDS WUDQV

&XUUHQF\ JRYHUQHG E\ DQ DJUH
,6'$ 'HILQLWLRQV DV SXEOLVKH
DQG 'HULYDWLYHV $VVRFLDWLR
XSGDWHG DV DW WKH ,VVXH 'DW
RI WKH UHOHYDQW 6HULHV

(ii) E\UHIHUHQFH WR SUHFHGHQWV
LQWHUEDQN RUGHUV HVWDEOLVK
EHQFKPDUNV DSSHDUV RQ WKH
PD\ EH VSHFLILHG LQ WKH UH
DGMXVWHG IRU DQ\ DSSOLFDEO

(iii) RQ VXFK RWKHU EDVLV DV PD\
DQG WKH 5HOHYDQW 'HDOHU

,QWHUHVW 3HULRGV ZLOO EH VS
6XSSOHPHQW

)DOOEDFN 3URYLVLRQV ,I RQ
6XSSOHPHQW WR JHWKHU ZLWK UH
GLVFRQWLQXDWLRQ RU PRGLILFDWLRQ
RI DGPLQLVWHUHG RU FKDQJHV

=HUR &RXSRQ 1RWHV 7KH
1RWHV PD\ EH LVVXHG E\ DQ
WR LW DQG ZLOO QRW EHDU LQWHU

3D\PHQWV ZKHWKHU LQ UHVSHFW
DW PDWXULW\ RU RWKHUZLVH LQ
GHILQ7HUPV DQG &RQGLWLRQV
VXFK FXUUHQFLHV DQG EDVHG RQ
,VVXHU DQG WKH 5HOHYDQW 'HD
VSHFLILHG LQ WKH UHOHYDQW 3UL

7KH OHQJWK RI WKH ,QWHUHVW
DSSOLFDEOH LQWHUHVW UDWH RU
IURP WLPH WR WLPH RU EH FRQV
1RWHV PD\ DOVR KDYH D PD[LPX
LQWHUHVW UDWH RU ERWK 7KH X
WKH1RWHV WR EHDU LQWHUHVW DW
3HULRG $OO VXFK LQIRUPDWLRQ
3UHFLQJ 6XSSOHPHQW

,Q WKH FDVH RI 3DUWO\ 3DLG 1RW
ZKLFK DUH =HUR &RXSRQ 1RWHV
RQ WKH ,VVXH 'DWH RU DQ DPRXQW RI VXF
VSHFLILHG LQ WKH UHOHYDQW 3UL

7KH UHOHYDQW 3UHFLQJ 6XSSOHP
UHOHYDQW 1RWHV FDQQRW EH UHG
RWKHU WKDQ LQ VSHFLILHG LQVW
UHDVRQV RU IROORZLQJ DQ (YHQW
EH UHGHHPDEOH DW WKH RSWLRQ
XSRQ JLYLQJ QRWLFH WR WKH 1RW

1RWHV UHFHLYLQJ VXFK DPRXQWV
UHVSHFW RI VXFK 1RWHV KDG QR
2Q RU EHIRUH WKH LVVXH GDWH I
UHSUHVHQWLQJ %HDUHU 1RWHV RU
5HJLVWHUHG 1RWHV PD\ EH GHSRV
LQWHQGHG WR EH FOHDUHG WKURU
ZLWK FRPPRQ GHSRVLWDU\ RQ EH
&OHDUVWUHDP RU E LQ WKH FDV
WKURXJK WKH &0 RU ZLWK DQ
0RQHWDU\ $XWKRULWLHV RU
F LQ WKH FDVH RI
FOHDULQJ V\VWHP RWKHU WKDQ
&OHDUVWUHDP DQG RU WKH &08
V\VWHP DV DJUHHG EHWZHHQ WKH
7KH 1RWHV DQG WKH 7UXVW
REOLJDWLRQV DULVLQJ RXW RI RU
7UXVW 'HHG DUH JRYHUQHG E\ (QJ
7KH FRXUWV RI
VHWWOH DQ\ GLVSXWH DULVLQJ RX
DQG DFFRUGLQJO\ DQ\
LQ FRQQHFWLRQ ZLWK DQ\ 1RWHV
7KH 3URJUDPPH LV FXUUHQWO\ XQ
1RWHV LVVXHG XQGHU WKH 3URJU
VSHFLILHG LQ WKH DSSOLFDEOH 3U
$ UDWLQJ LV QRW D UHFRPPHQGDW
DQG PD\ EH VXEMHFW WR VXVSHQ
WLPH E\ WKH DVVLJQLQJ UDWLQJ
$SSOLFDWLRQ KDV EHHQ PDGH WR
IRU WKH OLVWLQJ
LVVXHG
GXULQJ
&LUFXODU RQ WKH +RQJ .RQJ 6WRF
+RZHYHU XQOLVWHG 1RWHV DQG 1
RQ RU E\ DQ\ RWKHU FRPSHWHQW
TXRWDWLRQ V\VWHP PD\ EH LVVXHG
ZLOO VSHFLI\ ZKHWKHU RU QRW VX
.RQJ 6WRFN ([FKDQJH RU OLVWHG
RWKHU FRPSHWHQW DXWKRULWLHV
Notesif listed on the Hong Kong Stock Exchange will be trad
on the Hong Kong Stock Exchange in a board lot size of at l
HK$500,000 (or its equivalent in other currencies).
7KH 1RWHV PD\ DOVR EH OLVWHG
H[FKDQJH V DV PD\ EH DJUHHG
5HOHYDQW 'HDOHUV LQ UHODWLRQ
6XSSOHPHQW UHODWLQJ WR HDFK

7KH IROORZLQJ WDEOHV VHW IRUWK WKH VXPPDUL[HG FRQVROLGDWHG SHULRGV LQGLFDWHG

7KH VXPPDU\ FRQVROLGDWHG ILQDQFLDO LQIRUPDWLRQ KDV EHHQ GHULYHG IURP WKH &RQVROLGDWHG)LQDQFLDO 6WDWHPHQWV RI WKH *URXS DQG LV GHULYHG IURP DQG VKRXOG EH UHDG LQ &RQVROLGDWHG)LQDQFLDO 6WDWHPHQWV RI WKH *URXS DQG $VVRFLDWHV DQG)LQDQFLDO 6WDWHPHQWV RI WKH *URXS DQG &RQVROLGDWHG)LQDQFLDO 6WDWHPHQWV RI WKH *URXS DQG $VVRFLDWHV DQG)LQDQFLDO 6WDWHPHQWV RI WKH *URXS DQG UHVSHFWLYH QRWHV WKHUHWR

+LVWRULFDO UHVXOWV RI WKH *URXS DUH QRW QHFHVVDULO\ LQGL SHULRG

	For the year ended 31 Decemb		
	2021	2022	2023
		8 6 ¶	
Revenue	1,259,313	1,205,31(	1,302,55
Other income	355,579	3,13	57,516
Cost of goods sold	(3,881)	(6,684)	(2,523)
Property-related and other business expenses	(381,534	(558,165	(647,351
Other expenses	(299,807	(296,994	(251,724
Changes in fair value of investment properties	973,43	933,51	132,81
Share of results (net of tax expense) of joint ventures	164,04	46,41	48,113
Share of results (net of tax expense) of associates and loss on disposal of associates	501,33(	118,55	(26,374
Profit from operations	2,568,48(	1,445,08	613,025
Finance costs	(501,954	(684,773	(660,780
Finance income	98,51	136,65	150,47
Net finance costs	(403,435	(548,116	(510,301
Gain on disposal of subsidiaries	552,69	1,230,00	305,48
Gain on acquisition of subsidiaries	19,47	[2]	[2]
Gain on disposal of investment properties	13,64	3,02(	65,83
Profit before taxation	2,750,86	2,129,99	474,05
Tax expense	(865,333	(683,329	(222,743
Profit for the year	1,885,53	1,446,66	251,308
Profit attributable to :			
Owners of the Company	1,414,63	1,290,29	87,039
Non-controlling interests	470,89	156,36(	164,26
Profit for the year	1,885,53	1,446,66	251,308

	As at 31 Decembe		
	2021	2022	2023
		8 6 ¶	
	9,139,44	12,309,53	8,519,11
Total assets	34,518,95	38,463,13	33,114,85
Equity attributable to owners of the Company			
Share capital	6,950,82	6,950,82	6,950,82
Reserves	7,278,44	7,162,99	6,923,83
	14,229,26	14,113,81	13,874,65
Non-controlling interests	5,627,87	6,145,16	5,457,98
Total equity	19,857,13	20,258,97	19,332,64
Non-current liabilities			
Loans and borrowings	7,095,80	7,616,49	4,800,75
Deferred tax liabilities	1,751,69	1,417,96	1,243,09
Other non-current liabilities	500,36	711,51	753,76
	9,347,86	9,745,96	6,797,60
Current liabilities			
Loans and borrowings	1,086,49	2,104,84	3,917,03
Trade and other payables	1,591,91	1,717,42	1,913,89
Current tax payable	158,88	395,35	256,38
Liabilities classified as held for sale	2,476,65	4,240,57	897,28
	5,313,95	8,458,19	6,984,60
Total liabilities	14,661,81	18,204,16	13,782,21
Total equity and liabilities	34,518,95	38,463,13	33,114,85

	For the year ended 31 Decemb		
	2021	2022	2023
		8 6 ¶	
Cash flows from operating activities			
Profit before taxation	2,750,86	2,129,99	474,05
Adjustments for:			
Amortisation of intangible assets	1,36	9,57	17,25
Amortisation of deferred management costs	13	2	2
Depreciation of property, plant and equipment	28,13	49,06	103,89
Loss/(gain) on disposal of property, plant and equipment	(138)	8,54	4,26

	For the year ended 31 Decemb		
	2021	2022	2023
		8 6 ¶	
Gain on disposal of subsidiaries	(552,697)	(1,230,002	(305,488
Gain on acquisition of subsidiaries	(19,477)	[2]	[2]
Gain ondisposal of associates	(7,360)	[2]	[2]
Gain on disposal of investment properties	(13,642	(3,020)	(65,839)
Share of results (net of tax expense) of joint ventures	(164,047	(46,415)	(48,113
Share of results (net of tax expense) of associates and loss on disposal of associates	(501,336	(118,552	26,374
Changes in fair value of investment properties	(973,433	(933,515	(132,814
Changes in fair value of financial assets	(288,301	60,960	4,844

	For the year ended 31 Decemb		
	2021	2022	2023
		8 6 ¶	
Withholding tax paid on disposal gain, dividend and intere income from subsidiaries	(219,850	(45,221	(319,626
Development expenditure on investment properties	(1,279,504	(819,985	(600,508
Deposit paid for acquisition of investment properties	(116,929	(101,159	829
Loans to joint ventures	(43,592	(48,880	(2,333
Loans to associates	(48,313	(81,322	(14,318
Loans to non-controlling interests	(7,243	(7,123	(1,804
Loans to intermediate holding company and other related parties	(821,895	(1,525,653	(386,445
Loans to third parties	(349,419	[2]	[2]
Repayment of loans from joint ventures	72,136	18,615	58,079
Repayment of loans from associates	94,453	204,638	130,741
Repayment of loans from non-controlling interests	41,293	[2]	14,024
Repayment of loans from third parties	275,595	76,571	9,220
Repayment of loans from intermediate holding company and other related parties[1]	68,135	86,227	225,479
Interest income received	61,470	77,092	48,629
Deposits pledged for construction projects	[2]	[2]	(4,661
Net cash used in investing activities	(953,486	(2,378,685	(499,728
Cash flows from financing activities			
Capital contribution from non-controlling interests	457,544	2,261,025	403,946
Deposits received from issue of co-invest shares	4,398	2,416	2,192
Repayment of loans from non-controlling interests	(10,202	(3,204	(35,645
Dividend paid to co-invest shareholders	[2]	(6,833	(14,221
Proceeds of loans from non-controlling interests	[2]	1,646	3,162
Proceeds of loans from third parties	[2]	2,571	16,869
Repayment of loans from third parties	(637	(700	[2]
Proceeds of loans from associates	[2]	4,770	72,637
Repayment of loans from associates	[2]	(28,501	(88,258
Proceeds of loans from other related parties	[2]	366,911	104,261
Repayment of loans from other related parties	[2]	(234,290	(117,772
Proceeds from bank loans	6,713,692	9,843,573	5,393,168
Repayment of bank loans	(6,829,248	(6,433,457	(5,277,609
Proceeds from issue of bonds	2,751,731	322,532	[2]

[1] ([SURVVHG DV ³5HSD\PHQW RI ORDQV IURP LQWHUPHGLDWH KROGLQJ FRPSDQ\ DQG RWKHU UHODWHG SDUWLHV´ LQ Audited Consolidated Financial Statements.

	For the year ended 31 Decemb		
	2021	2022	2023
		8 6 ¶	
Repayment of bonds	(2,633,904	(1,044,139	(686,821
Redemption of bonds	[2]	[2]	(54,500
Interest paid	(500,670	(509,893	(611,966
Cash payments for principal portion of lease liabilities	(14,400	(19,384	(26,747
Cash payments for interest portion of lease liabilities	(6,852	(7,474	(15,184
Dividends paid to non-controlling interests	(35,223	(1,705,559	(81,763
Acquisition of interests in subsidiaries from non-controlling interests	(220,286	(60,255	(1,081
Proceeds from disposal of interests in subsidiaries to non-controlling interests	638,51	314,42	5,038
Capital withdrawal from non-controlling interests	(244,589	(1,255	[2]
Deposits pledged for bank loans	[2]	(57,548	(59,604
Net cash generated from/(used in) financing activities	69,871	3,007,37	(1,069,898
Net increase/(decrease) in cash and cash equivalents	(268,799	1,159,95	(992,665
Cash and cash equivalents at beginning of the year	1,222,06	963,44	2,070,12
Effect of exchange rate changes on cash balances held in foreign currencies	10,186	(53,278	(16,968
Cash and cash equivalents at end of year	963,44	2,070,12	1,060,49

7KH &RPSDQ\ XVH¥.)56 HUPHDLQXHQRQWRWH¶WKH DQQXDO SHUIRUPDQF
(%,7'$ (%7,'$ LV QRW DQ DFFRXQWLQJ PHDVXUH XQGHU +.)56 DQG
DOWHUQDWLYH PHDVXUHVWRIRUDQDO\VR QRW D PHDV
RI OLTXLGLW\ XQGHU +.)56 7KHUHIRUH LQYHVWRUV VKRXOG QRW

	For the year ended 31 Decembe		
	2021	2022	2023
		8 6 ¶	
EBITDA[(1)]			

Note:

(1) EBITDA is defined as profits before tax, net borrowing costs, depreciation and amortisation. EBITDA, as used in this Offering Circular, is VXSSOHPHQWDO PHDVXUH RI WKH *URXS¶V SHUIRUPDQFH DQG OLTXLGLW\ and is generally accepted accounting principles in certain other countries. Furthermore, EBITDA is not a measure of financial performance or liquidity under the HKFRS any other generally accepted accounting principles and should not be considered as an alternative to net income, operating in other performance measures derived in accordance with HKFRS or any other generally accepted accounting principles. EBITDA should not there considered in isolation from, or as a substitute for, the analysis of the financial condition or results of operations of the Group as reported unde HKFRS. Further, EBITDA may not reflect all of the financial and operating results and requirements of the Group. In particular, EBITDA does not

UHIOHFW WKH *URXS¶V QHHGV IRU FDSLWDO H[SHQGLWXUHV GHEW VHUYLFH DQG
or amortised. Other companies may calculate or define EBITDA differently, limiting its usefulness as a comparative measure.

- The military conflict between Russia and Ukraine has further resulted in escalated regional instability and amplified the tensions between international relationships, as well as adversely affected global economic conditions and the sanctions imposed by various countries against Russia continue to pose adverse effects on global economy.

- FHUWDLQ UHFHQW FKDQJHV LQ WD[ODZ DQG SURSRVHG DSSOL
  LQFUHDVH WKH *URXS¶V WD[OLDELOLW\ DQG SRWHQWLDOO\
  LQWURGXFWLRQ RI WD[ODZV DQG WKH DSSOLFDWLRQ RU
  LQFHQWLYHV ZKLFK PD\ LQFUHDVH WKH *URXS¶V FRVW RI LQYH
  DIIHFW WKH ,VVXHU¶V DELOLW\ WR UHFHLYH GLYLGHQGV RU RW
  LQYHVWPHQWV
- FXUUHQF\ FRQWURO DQG RWKHU UHJXODWLRQV ZKLFK PD\ DII
  RWKHU GLYLGHQGV IURP WKH ,VVXHU¶V VXEVLGLDULHV RU RW
  ERURURZ RQVKRUH RU RIIVKRUH ZKHWKHU WKH IDFLOLWLHV
  RXW DFTXLVLWLRQ GLYHVWPHQW DQG FDSLWDO H[SHQGLWXUH
- SROLWLFDO DQG RWKHU FRQGLWLRQV

such as general economic conditions, availability of financing, interest rates, supply and demand of properties. The Group cannot predict whether it will be able to sell any of its investment properties or other assets for the price or on the terms set by it or whether any price or other terms offered by a prospective purchaser would be acceptable to it. The Group also cannot predict the length of time needed to find a purchaser or to close a sale in respect of an investment property or other assets. These factors could affect the Group's gains from realisation of its investments in its real estate assets including the value at which the Group may dispose of its holdings in entities that hold the real estate assets, the income or other distributions received by the Group from its respective holdings, which in turn would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

,Q DGGLWLRQ WKH *URXS PD\ EH UHTXLUHG WR H[SHQG IXQGV W
LPSURYHPHQWV EHIRUH DQ LQYHVWPHQW SURSHUW\ RU D FHUWDLQ
*URXS ZLOO KDYH IXQGV DYDLODEOH WKHVH RWKHUV DQG DQ\ RWKHU
*URXS¶V DELOLW\ WR UHVSRQG WR GHYHUVH FKDQJHV LQ WKH SHUIRU
RWKHU DVVHWV FRXOG DIIHFW LWV DELOLW\ WR PDLQWDLQ D VXLWDEOH SRUWIROLR
QHJDWLYHO\ DIIHFWLQJ LWV EXVLQHVV ILQDQFLDO FRQGLWLRQ DQ

5HWXUQV IURP DQ LQYHVWPHQW LQ UHDO HVWDWH GHSHQG ODUJHO\ RQ WKH
SURSHUW\ DQG WKH H[SHQVHV LQFXUUHG LQ WKH RSHUDWLRQ RI WKH SURSHUW\ RU WKH H[WHQW WR ZKLFK DQ LQYHVWPHQW LQ WKH SURSHUW\ LV VXSSRUWHG E\ FDVK IORZV IURP RSHUDWLRQV

5HQWDO LQFRPH DQG WKH PDUNHW YDOXH RI SURSHUWLHV PD\ EH

- WKH RYHUDOO FRQGLWLRQV LQ WKH 35& HFRQRP\ VXFK DV JUR FRQVXPHU VHQWLPHQW HPSOR\PHQW WUHQGV DQG WKH OHYHO
- ORFDO UHDO HVWDWH FRQGLWLRQV VXFK DV WKH OHYHO RI V EXVLQHVV VSDFH
- WKH *URXS¶V DELOLW\ WR FROOHFW UHQW RQ D WLPHO\ EDVLV
- GHIHFWV DIIHFWLQJ WKH SURSHUWLHV LQ WKH *URXS¶V SRUWI WHQDQWV WR RSHUDWH RQ VXFK SURSHUWLHV
- WKH SHUFHSWLRQ RI SURVSHFWLYH FXVWRPHUV RI WKH XVHIXO
- WKH *URXS¶V DELOLW\ WR SURYLGH DGHTXDWH PDQDJHPHQW P
- WKH ILQDQFLDO FRQGLWLRQ EDQNUXSWF\ RU UHRUJDQLVDWLRQ RI WHQDQWV RU RSHUDWRUV RI SURSHUWLHV
- KLJK RU LQFUHDVLQJ YDFDQF\ UDWHV
- FKDQJHV LQ WHQDQF\ ODZV DQG
- H[WHUQDO IDFWRUV LQFOXGLQJ PDMRU ZRUOG HYHQWV VXFK D DQG DFWV RI *RG VXFK DV IORRGV DQG HDUWKTXDNHV

,Q DGGLWLRQ RWKHU IDFWRUV PD\ DGYHUVHO\ DIIHFW D SURSHU UHYHQXHV DQG RSHUDWLQJ SURILW LQFOXGLQJ L FKDQJHV LQ OD]RQLQJ SODQQLQJ HQYLURQPHQWDO ZDWHU SROOXWLRQ DQG RWKHU HQYLURQPHQWDO H[SHQGLWXUH LY WKH VXSSO\ DQG GHPDQ RI DQFKRU WHQDQWV YL WKH DYDLODELOLW\ RI ILQDQFLQJ DQG

&RQVHTXHQWO\ WKH *URXS¶V RSHUDWLQJ UHVXOWV DQG ILQDQFLD
HFRQRPLF FRQGLWLRQV 5HGXFWLRQV LQ WKH IDLU YDOXH RI LQYHVWPHQW SURSHUWLHV DQG
UDWHV LQ WKH 35& ZKHUH WKH *URXS RSHUDWHV PD\ DGYHUVHO\ DIIH
WHUPV DFFHSWDEOH WR SXUFKDVHUV DQG KHQFH WKH DPRXQW RI
LW ZLVK WR GLVSRVH RI DQ\ SURSHUW\ LQ WKH 35& RU 7KH *URXS
ULVNV LQ UHODWLRQ WR LWV ILQDQFLDO LQYHVWPHQWV DQG DUUD

Real estate assets are inherently difficult to value. Valuations are subject to subjective judgments and are made on the basis of assumptions which may not necessarily materialise. Additionally, the inspections of the Group properties and other work undertaken in connection with a valuation exercise may not identify all material defects, breaches of contracts, laws and regulations, and other deficiencies and factors that could affect the valuation. There can be no assurance that the Group's investment in its properties will be realised at the valuations or property values recorded or reflected in its financial statements or in this Offering Circular. The Group applies fair value accounting for all its investment properties. Independent valuations are obtained on the Group's investment properties at least once every year. The Group assesses the valuation of its properties to ensure that the carrying amount of each investment property reflects the market conditions at the relevant financial reporting date. The value of the properties in the Group's portfolio may fluctuate from time to time due to market and other conditions and are also based on certain assumptions which, by their nature, are subjective and uncertain, and may differ materially from actual results. There is no assurance that the Group's properties will retain the price at which they may be valued or that the Group's investment in such properties will be realised at the valuations or property values it has recorded or reflected in its financial statements, and the price at which the Group may sell or lease any part or the whole of the properties may be lower than the valuation for those properties. Such adjustments to the fair value of the properties in the portfolio could have an adverse effect on the Group's net asset value and profitability. It may also affect the Group's ability to obtain more borrowings, or result in the Group having to reduce debt, if the financial covenants in its financing and other agreements require the Group to maintain a level of debt relative to asset value, and such covenants are triggered as a result of adjustments made to the fair value of the Group's properties.

The Group believes that reasonable due diligence investigations with respect to the Group's properties have been conducted prior to their acquisition. However, there is no assurance that the Group's properties will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects or asbestos contamination in the Group's properties which may require additional capital expenditure, special repair or maintenance expenses). Such unidentified and undetected defects or deficiencies may require significant capital expenditure or trigger obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on the Group's business, financial condition, results of operations, performance and prospects.

7KH H[HFXWLYH UHSRUWV WKDW WKH *URXS UHOLHV XSRQ D
WR LQDFFXUDFLHV DQG GHILFLHQFLHV 7KLV PD\ EH EHFDXVH FHUW
LPSRVVLEOH WR DVFHUWDLQ

)DFWRUV ZKLFK FRXOG LQFUHDVH SURSHUW\ H[SHQVHV DQG RWKHU DPRXQW RI PDLQWHQDQFH DQG VLQNLQJ IXQG FRQWULEXWLRQV SURSHUWLHV LL LQFUHDVHV LQ DQG RWKHU VWDWXWRU\ FKDUJHV LY FKDQJH ZKLFK LQFUHDVH WKH FRVW RI FRPSOLDQFH LQFUHDVHV LQ WKH UDWH RI LQIODWLRQ YLL FRVWV UHODWLQJ WR DGMXVWPHQW RI WKH WHQDQW PL[ )XUWKHU UHVWULFWV IDFLOLWLHV WR LWV RULJLQDO VWDWH VKRXOG D FXVW DGHTXDWHO\ DW WKH HQG RI LWV OHDVH WHUP

7KH *URXS KDV VLJQLILFDQWO\ H[SDQGHG LWV RSHUDWLRQV LQ U RSSRUWXQLWLHV WR IXUWKHU GHYHORS LWV EXVLQHVV ZKLOVW DW HQKDQFH VKDUHKROGHU YDOXH 7KH UHPDLQGHU RI SDUHQW DQG FRQWUR FRQVLGHUV DQG HYDOXDWHV QHZ EXVLQHVV RSSRUWXQLWLHV DV Z EXVLQHVVHV LQFOXGLQJ DFTXLVLWLRQV RI EXVLQHVVHV DQG VUEVLGLDULHV WUDQVDFWLRQV HYDOXDWHG IURP WLPH WR WLPH LQ D FRPPHUFLDO DQG SUXGHQW UDQJH RI LQWHUQDO DQG H[WHUQDO IDFWRUV LQFOXGLQJ WKH V DVVXPHG DQWKDW DFWLRQV WDNHQ E\ */3 ZLOO QRW DGYHUVHO\ LPSDF ILQDQFLDO SHUIRUPDQFHV

7R PDQDJH LWV JURZWK DQG FRQVROLGDWH LWV SRVLWLRQ LQ W PDQDJHULDO WHFKQLFDO RSHUDWLRQDO DQG RWKHU UHVRXUFHV ULVN PDQDJHPHQW V\VWHP

7KHUH FDQ EH QR DVVXUDQFH WKDW WKH *URXS ZLOO QRW H[SHULE EXVLQHVV RSSRUWXQLWLHV DV ZHOO DV H[SORUH VWUDWHJLF RS EXVLQHVVHV ,Q SDUWLFXODU WKH *URXS PD\ LPSOHPHQW WKHLU JURZWK SODQV LQ DGYHUVHO\ DIIHFW LWV DELOLW\ WR PDLQWDLQ H[SDQG DQG GLYH 7KHUH FDQ EH QR DVVXUDQFH WKDW VXFK WUDQVDFWLRQV ZLOO QRW GLVUXSW WKH RSHUDWLRQV RI WKH *URXS¶V ZKLFK FRXOG KDYH D PDWHULDO DGYHUVH HIIHFW RQ WKH *URXS¶V DQG IXWXUH SURVSHFWV

7KH *URXS KDV SDUWQHUHG ZLWK RU DFTXLUHG LQWHUHVWV LQ SURSHUWLHV DQG DJUHHPHQW DPRQJ WKH *URXS DQG LWV M SURMHFWV LV DQ LPSRUWDQW SDUW RI WKH EXVLQHVV DQG WKH LQDQFLDO VXFFHVV FRUSRUDWH DFWLRQV RI WKHVH MRLQW YHQWXUHV UHTXLUH DSSUR ULVNV DVVRFLDWHG ZLWK WKH SRWHQWLDO LPSDFW RI *URXS¶V FRQ LQWHUHVWV RU JRDOV WKDW DUH LQFRQVLVWHQW ZLWK WKRVH RI UHTXHVWV RI WKH *URXS RU FRQWUDU\ WR WKH *UR XQDEOH RU XQZLOOLQJ WR IXOILO WKHLU REOLJDWLRQV XQGHU WK RWKHU GLIILFXOWLHV RU Y KDYH GLVSXWHV ZLWK WKH *URXS DV

$OWKRXJK WKH *URXS KDV QRW H[SHULHQFHG DQ\ VLJQLILFDQW SU GDWH ZKLFK FRXOG QRW EH UHVROYHG VKRXOG VXFK SUREOHPV R

HIIHFW RQ WKH VXFFHVV RI WKHVH MRLQW YHQWXUHV DQG WKHU
ILQDQFLDO FRQGLWLRQ UHVXOWV RI RSHUDWLRQV DQG SURVSHFW
YHQWXUHV LV VXEMHFW WR FHUWDLQ ULVNV DQG XQFHUWDLQWLHV
UHVWULFWLRQV $V D UHVXOW D GLVSRVDO RI WKH *URXS¶V LQWH
FRPSOHWH LI DW DOO WRKDQGHG DGYHUVHO\ DO RI D ZKROO\

6HSDUDWHO\ WKH H[HFXWLYH RIILFHUV¶ VXSSRUW IURP */3 DQ
WKHRYHUFRPPRVLWLRQ RI WKH EU*URXSQJH IURP DWWHPSWV RQWLF
VKDUHKROGHUVGHSDSFHFDGHO WRRLVWRQHWWKHRUURXHZ LQYHVWRUV
DFTXLUHUHQWVHLQH WKH 6*XRRXSSRUDFWLVRLWLRQHDVWKH EHVW GULYHQ E\ D YDU
FRPPHUFLDO ILQDQFLDO RU SHUVRQDO FRQVLGHUDWLRQV LQFO
QHHGV RU LQYHVWPHQW VWUWKDHUHJKRODGQHUVRRSERQLWLRQ FDQ OH
LQIOXHQFH DQG YRWLQJ SRZHUSRZYKLFKVDQFDHDHJHUPQGWEKHEQLWLRQ
ILQDQFLDORFRQGLWLRQS

7KH *URXS HQJDJHV FRQWUDFWRUV\ DQG GYLQGHSHQGHQW VWLKQLUFRQQH
DQGLQWHVWPHQW SRUWIROLR 7KHUH LV QR DVVXUDQFH WKDW WKH
VHUYLFH SURYLGHUV HQJDJHG E\ WKH *URXS ZLOO DOZD\V EH VDW
WKH *URXS RU UHTXLUHGFE\XWKHDUHUHQVEHQWRQWRU WKDW VXFK F
EH EUHDFKHG RU WHUPLQDWHG

)XUWKHUPRUH WKHUH FDQ EH QR DVVXUDQFH WKDW WKH *URXS¶V
WR FRQWUDFWXDO VHFLILFDWLRQV RU WKDW VXFK SURYLGHUV ZL
XQGHU FRPPHUFLDOEHOEV UHIDWQDEOHDQG WKH *URXS PD\ EH XQDEOH
VHUYLFHV LQ DHWLPHOQWR UPDQQHU

7KHUH LV DOVR D ULVN WKDW WKH *URXS¶V PDMRU FRQWUDFWRUV
GLIILFXOWLHV ZKLFK PD\ DIIHFW WKHLU DELOLW\ WR GLVFKDUJH W
ZRUN LQ FRQQHFWRXLSR¶V ZRUWGKLQVDKH\ *EUXVLQHVV RU GHYHORSPHQW SU
FRVWV IRU WKH *URXS 7KH WLPHO\ SHUIRUPDQFH RI WKHVH FRQWU
QDWXUDO DQG KXPDQ IDFWRUV VXFKDHDPLFQVDWRXUEUHDWDPWZHDUV DQ
DUH EH\RQG WKH FRQWURO RI WKH *URXS 0RUHRYHU VXFK FRQWU
RI H[SHULHQFHG NH\ VHQLRU PDQDJHPHQW DQG LW ZRXOGG EH Q GLIIL
D WLPHO\ PDQQHU RU DW DOO LI VXFK FRQWUDFWRUV DQG VHUYLFH
DGYHUVHO\ DIIHFW WKH EXVLQHVV ILQDQFLDO FRQGLWLRQ RU UHV

M

WKRVH DVVHWV ,Q DGGLWLRQ LI WKH PDWXULQJ GHEW ZHUH VHFX
WKDW LQGHEWHGQHVV

7KH *URXS¶V SXEOLVK DQQXDO DQG TXDUWHUO\ FRQVROLGDWHG I
FRQWLQXLQJ GLVFORVXUH REOLJDWLRQV UHODWLQJ WR LWV ERQ
DFFRUGLQJ WR WKH DSSOLFDEOH UXOHV RI WKH 6WRFN ([FKDQJH
PD\ QRW EH DXGLWHG RU SURYLGH FHUWDLQ LQIRUPDWLRQ DQG VKRX
WR SURYLGH WKH VDPH TXDOLW\ RI LQIRUPDWLRQ DVVRFLDWHG ZL
UHYLHZ 6XFK XQDXGLWHG RU XQUHYLHZHG ILQDQFLDO LQIRUPDWLRQ
RI WKH UHVXOWV WKDW PD\ EH H[SHFWHG IRU WKH IXOO ILQDQFLD
LQYHVWRUV VKRXOG QRW WDNH VXFK ILQDQFLDO LQIRUPDWLRQ DV
RI RSHUDWLRQV RI WKH &RPSDQ\ RU WKH *URXS IRU WKH UHOHYD
H[HUFLVH FDXWLRQ ZKHQ XVLQJ VXFK GDWD WR HYDOXDWH WKH &R
RI RSHUDWLRQV

7KH *URXS RSHUDWLRQV DUH H[SRVHG WR IRUHLJQ H[FKDQJH UDW
VWDWHPHQWV DUH SUHVHQWHG[ISQR8LW GLVOODOVURV HD[SRVLHWVV SRUHFXU
H[SHQVHV ERUURZLQJV FDQ WKDWQHDWHG LQ FXUUHQF
FXUUHQF\ L H 5HQPLQEL RI WKH *URXS¶V HQWLWLHV LQ WKH 35
DJDLQVW WKHVH RWKHU FXUUHQFLHV FRXOGLKDYHDQ DGYHUVH
RI RSHUDWLRQV DQG SURVSHFWV &RQYHUVHO\ DQ\ VLJQLILFDQW
FXUUHQFLHV FRXOG KDYH D SRVLWLYH HIIHFW RQ WKH *URXS¶V EX
SURVSH[FWDQJH UDWH JDLQV RU ORVVHV ZLOO DULVH ZKHQ WKH DV
RU H[FKDQJHG LQWR 8 6 GROODUV IRU ILQDQFLDO UHSRUWLQJ R
H[FKDQJH UDWHV FRXOGUHXSVWHUULEHSRUWHGHFLQDQ*DL UHVXOWV :K
WKDW WKH QHW H[SRVXUH ULVN WR IRUHLJQ H[FKDQJH UDWH IOXF
GHQRPLQDWHG LQ IRUHLJQ FXUUHQFLHV WDKUHH SXUSFKDWRR DQG DFFHOSH
FXUUHQFLHV DW VSRW UDWHV WZKHUHEHLQEDQVWR KHGHUHDQ EHK
ULVN ZLOO DOZD\V EH NHSW WR DQ DFFHSWDEOH OHYHOL 7KHR*URX
IRU WKH \HDU HQGHG 'HFHPEHU

The Group¶s success depends, in part, upon the continued service and performance of members of the Issuer senior management team and certain key senior personnel. These key personnel may leave the Group in the future and compete with the Group. The Group has experienced significant growth in recent years and as a consequence would require more personnel with specific skillsets as it continues to expand its operations. However, the competition for talent and skilled personnel is intense, especially for persons who have the relevant skillset and experience in the industry in which the Group operates. Although the Group has in place succession planning policies and strategies, and while it believes that the salaries offered to its employees are competitive with respect to, and are in line with, salaries offered by its competitors, the loss of any of these key employees, or the inability to attract skilled employees, could have a material adverse effect on its business, financial condition, results of operations, performance and prospects.

7KH *URXS¶V EXVLQHVV DQG RSHUDWLRQV DUH VXEMHFW WR HQYLU
HQHUJ\ HIILFLHQF\ DQG UGV $V WKH 35& HQYLURQPHQWDO ODZV DQG UH
KDYH KLVWRULFDOO\ EHHQ VXEMHFW WR IUHTXHQW FKDQJH WKHU
ZLWK VXFK UHJXODWLRQV UHWURVSHFWLYHO\ RU ZLWK UHWURVSHFWLYH
UHJXODWLRQV)DLOXUH WR FRPSO\ ZLWK RU WKH YLRODWLRQ RI D
UHVXOW LQ WKH *URXS EHLQJ VXEMHFW WR RU OLDEOH IRU ILQHV
WKH *URXS PD\ LQFXU GGLWLRQDO FRVWV WR HQVXUH FRPSOLDQF
FRXOG KDYH D PDWHULDO DGYHUVH HIIHFW RQ WKH *URXS¶V EXVL
SURVSHFWV

As an owner and lessor of real property, the Group is subject to various laws and regulations concerning the protection of health and safety and the environment, including, among others, laws and regulations related to soil contamination, health and hygiene, environmental pollution, chemical processing, hazardous substances and waste storage.

7KH SDUWLFXODU HQYLURQPHQWDO ODZV DQG UHJXODWLRQV ZKLFK
WR W¶KHOLFDWLRQ LWV HQYLURQPHQWDO FRQGLWLRQ WKH SUHVHQ
RI DQ\ DGMRLQLQJ SURSHUWLHV ,Q WKH 35& WKH (QYLURQPHQW 3
SROOXWLRQ FRQWURO QWDQG WKH &RZQ 3URSHUW\ RI 3WPRVSKHULF 3ROO
DQG &RQWURO RI :DWHU 3ROOXWLRQ DQG WKH (QYLURQPHQWDO 3URWHF
:DVWH SURYLGH PRUH GHWDLOHG UXOHV RQ SUHYHQWLQJ DQG FRQ
WKH $GPLQLVWUDWLRQ 5HJXODWLRQV RQ (QYLURQPHQWDO 3URWH
UHJXODWLRQV RI WKH 35& VSHFLILFDOO\ UHJXODWH HQYLURQPHQ
(QYLURQPHQWDO ODZV DQG FRQGLWLRQV RIWHQ LPSRVH OLDELOLW
RI RU ZDV UHVSRQVLEOH FRU WKH UHPRYDO RU UHPHGLDWLRQ RI
WKH *¶URXS HUDWLRQV DQG GHYHORSPHQWV DQG PD\ FDXVH WKH *U
FDQ SURKLELW RU VHYHUHO\ UHVWULFW SUR WKH GHYHORSPHQW
:KLOH WKH *URXS JHQHUDOOY LFHQVHV DQG FRQVHQWV UHTXLUHG
LGHQWLI\ DOO HQYLURQPHQWDO SUREOHPV %DVHG RQ WKHVH UHYL
HQYLUR WDO PHQODLPV RU RWKHU OLDELOLWLHV WKDW ZRXOG UHTXLU
DVVXUDQFH WKDW SRWHQWLDO HQYLURQPHQWDO OLDELOLWLHV GR

The Group may be involved from time to time in disputes with various parties involved in the development and lease of its properties such as contractors, subcontractors, suppliers, construction companies, purchasers and tenants. These disputes may lead to legal or other proceedings, and may cause t>-5<0048013(n)(m)-4(ay)-7( )-62(l)-1

RI QHZ OR JLVWLFV DQG ZDUHKRXVLQJ UDFLOLWLHV RSHUDWLRQV DQG EH PDWHULDOO\ DQG DGYHUVHO\ DIIHFWHG

Natural disasters, severe weather conditions, the outbreak of epidemics, catastrophe or other events, all of which are beyond the Group's control, may adversely affect the economy and infrastructure of the PRC and/or result in severe personal injury, property damage and environmental damage, which may curtail the Group's operations and materially adversely affect its cash flows and, accordingly, adversely affect its ability to service debt. Some cities within the PRC where the Group operates are under the threat of typhoon, flood, earthquake, storm, sandstorm, snowstorm, fire, drought or epidemics such as Severe Acute Respiratory Syndrome ("SARS") and H5N1 avian flu or the human swine flu, also known as Influenza A (H1N1), and the COVID-19 pandemic. Past occurrences of such phenomena, for instance the outbreak of SARS in 2003 and the Sichuan province earthquake in May 2008, have caused varying degrees of harm to business and the national and local economies.

If any of the Group's properties are damaged by severe weather or any other disaster, accident, catastrophe or other event, the Group's operations may be significantly interrupted, and its business and financial condition adversely affected. The occurrence or continuance of any of these or similar events could increase the costs associated with the Group's operations and reduce its ability to operate its businesses at their intended capacities, thereby reducing revenues and debt serviceability. The occurrence of any of the above stated events could have a material adverse effect on the Group's facilities in the PRC, the businesses of the Group's customers in the PRC, the PRC economy in general and the global supply chain. This in turn, could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.

Terrorist activities in the region have contributed to the substantial and continuing economic volatility and social unrest in Asia. Any developments stemming from these events or other similar events could cause further volatility. Any significant military or other response by the U.S. and/or its allies or any further terrorist activities could also materially and adversely affect international financial markets and the PRC economy and may adversely affect the operations, revenues and profitability of the Group. The consequences of any of these terrorist attacks or armed conflicts are unpredictable, and the Group may not be able to foresee events that could have a material adverse effect on its business, financial condition, results of operations, performance and prospects.

The Group is committed to a broad range of ESG commitments that elevate its business, create value for its stakeholders, support its employees and customers, and show respect to the local communities in which the Group works. The Group is committed to continuously improving its ESG policy to meet or exceed evolving standards and expectations of its shareholders, investors, customers, employees and communities. Any failure by the Group to meet any of the targets, strategies, goals, processes or standards with respect to ESG, or any failure by the Group to satisfy investor or other stakeholder expectations or standards in the execution of its ESG strategies, may affect the Group's business results of operations and reputation. These may in turn negatively affect the Group's ability to raise funds and to satisfy its work-related obligations under the Notes to be issued under the Programme.

- ORFDO PDUNHW FRQGLWLRQV VXFK DV RYHUVXSSO\ RI ORJLVW GHPDQG IRU ORJLVWLFV RU ZDUHKRXVLQJ IDFLOLW\ VSDFH DQ FRPSOHWHG ORJLVWLFV RU ZDUHKRXVLQJ IDFLOLWLHV RU ZKHUH KRXVLQJ XQSURILWDEOH
- VLJQLILFDQW OLDELOLWLHV DVVRFLDWHG ZLWK ORJLVWLFV RU DQG UHDO HVWDWH WD[HV DUH JHQHUDOO\ IL[HG DQG QHHG WR IURP WKH DVVHWV
- WKH DWWUDFWLYHQHVV RI WKH *URXS¶V IDFLOLWLHV WR SRWHQ
- WKH *URXS¶V DELOLW\ WR PDLQWDLQ UHIXUELVK DQG UHGHYHQ
- FRPSHWLWLRQ IURP RWKHU DYDLODEOH ORJLVWLFV DQG ZDUHK PDUNHW
- WKH *URXS¶V DELOLW\ WR PDLQWDLQ DQG REWDLQ LQVXUDQFH
- WKH *URXS¶V DELOLW\ WR FRQWURO UHQWV DQG YDULDEOH RSH
- FKDQJHV LQ ODERXU ODZV
- JRYHUQPHQWDO UHJXODWLRQV LQFOXGLQJ FKDQJHV LQ]RQLQ WD[ODZV DQG FKDQJHV LQ WKHVH ODZV
- GLIILFXOW\ LQ DFTXLULQJ ODQG WR EXLOG ORJLVWLFV DQG ZDU
- GLIILFXOW\ LQ ILQGLQJ D EX\HU IRU DQ\ UHDO HVWDWH WKDW W ZKLFK PD\ QRW DOORZ WKH *URXS WR UHFRYHU LWV LQYHVWPH
- FRQVWUXFWLRQ FRVWV LQFOXGLQJ ODERXU FRVWV RI D ORJL HVWLPDWHV RU FRQVWUXFWLRQ PD\ QRW EH FRQFOXGHG RQ VF HIIHFWV RI ORFDO ZHDWKHU FRQGLWLRQV RQ GHOLYHULHV RI VXSSOLHV DQG FRPSOHWLRQ RI FRQVWUXFWLRQ SURMHFWV ODERXU DQG WKH SRVVLELOLW\ RI VKRUWDJHV RU DQ LQFUHDVH DQG IXHO IRU HTXLSPHQW DV D UHVXOW RI ULVLQJ JHRSROLWLFDO WHQVLRQV RU ZDUHKRXVLQJ IDFLOLW\ OHVV SURILWDEOH WKDQ RULJLQDO
- WKH *URXS¶V ILQDQFLQJ FRVWV DQG DELOLW\ WR UHILQDQFH IDFWRUV ZKLFK DUH EH\RQG WKH *URXS¶V FRQWURO VXFK DV J FKDQJHV LQ PRQHWDU\ SROLFLHV WKH YDLODELOLW\ RI FUHGLW DQG WKH *URXS¶V FUHGLW UDWLQJV RU RWKHU OLQF
- GHOD\V LQ REWDLQLQJ JRYHUQPHQWDO SHUPLWV DQG DXWKRU DSSOLFDEOH]RQLQJ EXLOGLQJ RFFXSDQF\ DQG RWKHU ODZV
- FKDQJHVDEQQRUURQPHQW RI GHYHORSPHQW RSSRUWXQLWLHV D LPSDLUPHQW FKDUJH IRU WKRVH LQYHVWPHQWV DQG
- D VORZGRZQ LQ JOREDO HFRQRPLF JURZWK

$Q\ RI WKHVH IDFWRUV FRXOG KDYH D PDWHULDO DGYHUVH HIIHFW
RI RSHUDWLRQV DQG SURVSHFWV

7KH 35& PDUNHW IRU SURSHUWLHV LQ WKH ORJLVWLFV DQG ZDUHKF

RI SURILW RU ORVV LQ WKH SHULRG LQ ZKLFK WKH\ DULVH 7KH SU
LQFOXGH JDLQV DQG ORVVHV WKDW DULVH IURP UHYDOXDWLRQ R
UHYDOXDWLRQ DGMXVWPHQWV RQ WKH EDODQFH VKHHW EHFDXVH RI FKDQJHV LQ ILFDQWO\ DIIHFW
PDUNHW FRQGLWLRQV DQG PD\ EH VXEMHFW WR PDUNHW IOXFWXDW
LQYHVWPHQW SURSHUWLHV ZLOO QRW GHFUHDVH LQ YDOXH IRU WKH
LQYHVWPHQW SURSHUWLHV ZLOO UHGXFH WKH *URXS¶V SURILWV
EXVLQHVV ILQDQFLDO FRQGLWLRQ UHVXOWV RI RSHUDWLRQV SHU

7KH ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLW\ EXVLQHVV LV FDSLWD
DGGLWLRQDO ILQDQFLQJ WR IXQG LWV FDSLWDO H[SHQGLWXUH WR
VLJQLILFDQW H[SDQVLRQ RU GRZQWXUQ LQ DQ\ RI WKH ILQDQFH H[LVWLQJ GHEW REO
ILQDQFLQJ SULPDULO\ WKURXJK D FRPELQDWLRQ RI VWUDWHJLF UH
YDULDEOH UDWH ERUURZLQJV DVVRFLDWHG ZLWK WKH RZQHUVKLS DQG
*URXS¶V DELOLW\ WR DUUDQJH DGHTXDWH H[WHUQDO ILQDQFLQJ DQ

GHYHORS IDFLOLWLHV RQ WKH WHUPV LW RULJLQDOO\ DQWLFLSDW
DV LW KDV H[SHFWHG DQG LY WKH *URXS¶V HVWLPDWH RI WKH F
ZDUHKRXVLQJ IDFLOLWLHV RU WRR ORZ HVWLPDWHG GHPDQG IZ ORJLVWLFV DQG ZD
LQDFFXUDWH

7KH *URXS¶V SHUIRUPDQFH GHSHQGV RQ LWV DELOLWLHV WR WUDFN DQG
QRQHQHZHG OHDVHV DQG WR OHDVH QHZO\ GHYHORSHG SURSHUWLH
QXPEHU RI WKH *URXS¶V EXVLQHVV PHDVXUHV DUH HLWKHU OHDVH REOLJDWLRQV
DUH XQDEOH WR EH HLWKHU SURPSWO\ UHQHZHG RU WHUPLQDWHG SXUVXDQW WR
OHDVHV RU WKHLU UHQHZDO LQFUHPHQWDO LQFUHDVHV DUH QRW UHFRJQLVHG
EH FRPPHUFLDOO\ OHVV IDYRXUDEOH WR WKH *URXS WKDQ SUHYLR
FDVK IORZV ZRXOG EH DGYHUVHO\ DIIHFWHG

7KH *URXS¶V FXVWRPHUV DUH H[SRVHG WR WKHLU RZQ EXVLQHVV D
WR H[SHULHQFH GRZQWXUQV LQ WKHLU EXVLQHVVHV WKH *URXS F
PDNH UHQWDO SD\PHQWV ZKHWKHU GXH WR GHIDXOWV RU OHTXI UHQWDO SD\PHQ
IORZ IURP WKH OHDVH ,I D FXVWRPHU LQ VXFK D ORJLVWLFV DQG
ZHUH WR GHIDXOW WKH FDVK IORZ RI WKH\ ZRXOG EH GDPDFOLQHVWLJFL
LV QRW SRVVLEOH WR SUHGLFW ZKHWKHU WKH *URXS¶V ZLOO FXOLEH ZDEUHK
FUHGLWZRUWKLQHVV RI WKH UHSODFHPHQW FXVWRPHU RU FXVWRPH
$V VRPH RI WKH *URXS¶V FXVWRPHUV PD\ EH UHODWHG WR HDFK RV
DIIHFW WKH *URXS¶V RWKHU SURSHUWLHV LI LW VKRXOG RFFXU
EDQNUXSWF\ LQVROYHQF\ UHFRUJDQLVDWLRQ OLTXLGDWLRQ RU VLPLODU
OHDVH DQG WKHUHE\ UHGXFH WKH *URXS¶V DYDLODEOH FDVK IORZ
PDWHULDO DGYHUVH HIIHFW RQ WKH *URXS¶V RSHUDWLQJ DQG ILQDQFLDO
DGGLWLRQ DV WKH *URXS OHDVHV D VLJQLILFDQW SRUWLRQ RI WK
FXVWRPHUV LWV H[SRVXUH LV LQFUHDVHG DQG ZKLOH HDFK RI
ZLWK RWKHU FXVWRPHUV WKHUH FDQ EH QR DVVXUDQFH WKDW WK
FXVWRPHUV ZHUH WR VWRS OHDVLQJ IURP LW DQG WKH *URXS ZHUH
LW ZRXOG KDYH DQ DGYHUVH HIIHFW RQ WKH *URXS¶V EXVLQHVV ILQDQFL
SURVSHFWV

&KDQJHV WR ORFDO UHJLRQDO DQG JOREDO HFRQRPLF FRQGLWLR
WKHLU RSHUDWLRQV LQ WKH 35& DQG WKH GHPDQG DQG UHQWDO
JUHDWO\ UHGXFH ,Q WKH HYHQW FRQVWUXFWLRQ RI QHZ EXLOGLQJV E\WKH *URXS¶V FX
RI LWV PDMRU FXVWRPHUV RQ DOO RU D VLJQLILFDQW SRUWLRQ RI
LQFUU VXEVWDQWLDO FRVWV LQ HQIRUFLQJ OHDVH REOLJDWLRQV DW VDUHDVQ
DQG FDVK IORZV

7KH H[LVWLQJ ORJLVWLFV DQG ZDUHKRXVLQJ QHWZRUN RI WKH *UR
D YDVW DUHD ZKLFK LQ WXUQ KDV H[SRVHG WKH *URXS WR LQFUHD
XSJUDGH PDQDJHPHQW V\VWHPV DQG FRQWUDFWRUV RI WKH *URXS $V
LWV EXVLQHVV DQG RSHUDWLRQV ZLWKLQ WKH 35& DQ\ RYHUVLJKW
GHYHORSPHQW SURFHVVHV WR PHHW WKH
YDULRXV EXVLQHVV OLQHV DQG VXEMHFW WKH ,VVXHU WR FHUWDLQ

7KH *URXS DOVR IDFHV D ULVN RI ORVV UHVXOWLQJ IURP DPRQJ
V\VWHPV WKHIW DQG IUDXG 2SHUDWLRQDO ULVN RI WKLV NLQG FD
EXVLQHVV LQWHUUXSWLRQ RU YLRODWLRQ RI UHJXODWRU\ UHTXLUHPHQWV FRQGXFW E\ HPSOR\H
FRQWUDFWHG WR SHUIRUP VHUYLFHV IRU WKH *URXS DQG WKLUG
FRQWUDFWXDO DJUHHPHQWV 7KHVH HYHQWV PD\ UHVXOW LQ VLJQLILFDQW OHJDO OLDELOLWLHV
WKH *URXS UHOLHV RQ LQWHUQDO DQG H[WHUQDO LQIRUPDWLRQ
H[SRVHG WR ULVN RI ORVV UHVXOWLQJ IURP EUHDFKHV LQ WKH VHF

7KH*URXS PD\ IURP WLPH WR WLPH H[SDQG LWV EXVLQHVV WR QHZ
RSHUDWLQJ H[SHULHQFH 6XFK H[SDQVLRQ PD\ UHTXLUHDPLKOHL DURXS
ZLWK DQG PRQLWRU FKDQJHV LQ GLIIHUHQW RSHUDWLQJ HQYLU
VHJPHQWV

7KHUGXSDV H[SDQGLQJLQWRDVWUDQVDWODQWLFFRXQWULHZDLQLQWHUV
SDVW IHZ\HDUV DQG PRQLWRU QHZ EXVLQHVV VHFWRUV KDV SUHVHQW
FKDOOHQJHV *URXSOHDGHUVKLS DQG DGPLQLVWUDWLYH V\VWHP
HIIHFWLYH V\VWHPV 7KHUHIRUHDOOQDKDYHRQWROLQRUGHUWRQDLQ
LPSURYHPHQWDQGQHZ DGPLQLVWUDWLYH V\VWHPV DQG H[S
QHZ EXVLQHVV 7KHUH FDQKEH*QRWDXQGDQFH@VKDLWLQJ V\VWHP~¿

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or if raised, on favourable terms, to fund its QHZ EXVLQHVV RSHUDWLRQV DQG growth, which could have a material adverse effect on its business, results of operations and prospects.

The Group may the demand of in the markets.

The Group may not have sufficient client demand in the markets where its data centres are located. The Group may overestimate the demand for its services and as a result may increase its data centre capacity and expand its network more aggressively than needed, resulting in a negative impact on WKH *URXS¶V results of operations.

Further, the Group may expand into new geographic areas where it is not familiar with the market conditions, it may not be able to effectively attract clients in such new markets to generate sufficient revenues and offset the costs incurred by the expansion. This could negatively impact WKH *URXS¶V financial performance and prospects. In the event the Group fails to manage the growth of its operations effectively, its businesses and results of operations may be materially and adversely affected.

Limited of power and power outages may adversely affect results of operation.

The operation of data centres is involves high power consumption to support powering and cooling the FOLHQWV¶ servers and network equipment and to operate critical data centre plants and equipment infrastructure. The Group is subject to risks associated with obtaining access to sufficient amount of power from local utilities and constraints on the DPRXQW RI HOHFWULFLW\ WKDW D SDUWLFXODU ORFDOLW\ given time and the Group may incur additional cost to secure sufficient power supply.

In addition, the amount of power required by clients may increase as they adopt new technologies or grow their business. Although the Group aims to improve energy efficiency of its data centre facilities, such facilities may not be able to provide sufficient power to meet the growing needs of its clients. In addition, the Group may not be able to maintain competitive power usage effectiveness for its data centres in service. The Group may lose clients, or the clients may reduce the services purchased from it due to limited availability of power resources, or the Group may incur costs for data centre capacity which it cannot utilise, which any of the foregoing would reduce WKH *URXS¶V revenues and could have a material and adverse effect on its cost of revenues and results of operations.

In addition, the Group attempts to limit exposure to system downtime due to power outages from the electric grid by using backup generators and battery power. However, these protections may not limit its exposure to power shortages or outages entirely. Any system downtime resulting from insufficient power resources or power outages could damage WKH *URXS¶V reputation and lead it to losing its current and potential clients, which FRXOG PDWHULDOO\ DGYHUVHO\ LPSDFW WKH *URXS¶V business, financial condition, results of operations and prospects.

The data centre facilities that the Group operates are subject to failure.

The data centre facilities that the Group operates are subject to failure. Any significant or prolonged failure in any data centre facility, including a breakdown in critical plant, equipment or services such as the cooling equipment, generators, backup batteries, routers, switches, or other equipment, suppliers, or network connectivity, whether or not within WKH *URXS¶V control, could result in service interruptions and FOLHQWV¶ data losses as well as equipment damage, which could significantly disrupt the normal business operations of the clients and harm WKH *URXS¶V reputation and reduce its revenues.

The destruction or severe impairment of any data centre facility could result in significant downtime of the *URXS¶V services and catastrophic loss of client data. Since the *URXS¶V ability to attract and retain clients depends on its ability to provide highly reliable services, even minor interruption in the service could affect the *URXS¶V reputation and may subject the Group to financial penalties.

SHU FHQW RI WKH ODQG SUHPLXP ZKHUH ODQG UHPDLQV XQGHY
EH IRUIHLWHG WR WKH 35& JRYHUQPHQW ZLWKRXW FRPSHQVDWLR
JRYHUQPHQW DFWLRQ RUQIRDUFKHPHQWHXVHDQGHWXUQWKH LGOH
LWV SURGXFWLRQ FRVWV 8QGHU WKH 5XOHV RQ ,GOH DQG
VWDWHG FRQVWUXFWLRQ ODQGV L IRU ZKLFK GHYHORSPHQW KDV
FRPPHQFHPHQW GDWH VWLSXODWHG LQ WKH ODQG JUDQW FRQWUD
GHYHORSHG ODQG DVFHUWDLQHG RU WKH WRWDO ODQG REOLJDWHG IR
DPRXQW DFFRXQWV IRU OHVV WKDQ LQ SHUFHQWDJH WHUPV RI
VXVSHQGHG IRU DW OHDVW RQH \HDU SURSHUWLHV RU LQWHUHVWV
VXEMHFW WR WKH LVVXDQFH RI WKH FRQVWUXFWLRQ SHUPLW WKH
UHTXLULQJ IRXQGDWLRQV GUILYLQJ RI DOO SLOHV IRU WKH
RQWKLUG RI WKH IRXQGDWLRQ IRU RWKHU SURMHFWV

There is no assurance that the PRC subsidiaries and joint ventures will commence and/or complete a development within the time limits prescribed in the relevant land grant contracts due to changes of circumstances. In addition, the land held by PRC subsidiaries or joint ventures acquired by the Group might have de facto become idle before the Group's acquisition. There can also be no assurance that the government will not impose the "idle" land fee and/or forfeit the land in respect of which the Group did not begin timely construction. If the relevant government authorities impose the "idle" land fee and/or forfeit the land, it may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition to the requirement on the time limit of development of land, the land grant contracts may also contain, or local governmental agencies may impose, certain other requirements on the developments or the results of developments. Those requirements include, among other things, amount of total investment to be made, investment density to be achieved, the tax contributions or annual turnovers, by the relevant PRC subsidiaries and joint ventures to be achieved after the completion of developments. Failure to satisfy such requirements may result in penalties or increase in the land grant premium which in turn could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group derives the majority of its revenue from the leasing of the logistics and warehousing facilities that it has developed. This revenue stream depends on the completion of, and its ability to lease, its developments. To have a steady stream of developed facilities available for lease and continuous growth in the long term, the Group needs to replenish and increase its land reserves that are suitable for development and at a commercially acceptable cost. The Group's ability to identify and acquire suitable development sites is subject to a number of factors, some of which are beyond its control and there can be no assurance that it can identify and undertake suitable future land development projects.

7KH 35& JRYHUQPHQW FRQWUROV WKH VXSSO\ RI ODQG LQ WKH 35&
VHFRQGDU\ PDUNHW $V D UHVXOW WKH SROLFLHV RI WKH 35& JRY
WR DFTXLUH WKH ODQG XVH ULJKWV LW VHHNV DQG FRXOG LQFUH
*URXS¶V ODQG XVH ULJKWV DUH IRU D IL[HG GXUDWLRQ RI WLPH 7KHU
WR UHQHZ LWV RQJRLQJ RSHUDWLRQV RQ FRPPHUFLDOO\ DFFHSWDEOH WHUPV RU DW DOO WKH
ORFDO JRYHUQPHQWV KDYH DOVR LPSOHPHQWHG YDULRXV PHDVXU
ODQG IRU GHYHORSPHQW DQG WKH PDQQHU LQ ZKLFK ODQG PD\ EH
VXSSO\ WKURXJK]RQLQJ ODQG XVDJH UHJXODWLRQV DQG RWKHU P
FRPSHWLWLYH DQG HQYLURQPHQWDO FRQGLWLRQV DQG WKH PDQQHU LQ ZKLFK ODQG LV

DGYHUVHO\ DIIHFWHG DQG LWV EXVLQHVV VWUDWHJLHV JURZWK
DGYHUVHO\ DIIHFWHG

The Group is subject to the Urban and Rural Planning Law of the PRC, pursuant to which relevant local governments may, from time to time, redesignate the usage of certain land for local planning and development purposes. When a government rezones land that has been granted to the Group, it may be required to exchange its original land use right for the land use right of another parcel of land or accept a refund from the local government for the land premium that it paid for the original land use right, thereby affecting the Group's original development plans. There can be no assurance that relevant local governments will not change the zoning of certain land that the Group has already acquired, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Part of the land held by some of the WHV X H U¶ subsidiaries and joint ventures for developing the logistic and warehousing facilities are zoned for "industrial use" or other usages rather than "logistic use", and part of the properties owned by some of the WHV X H U¶ subsidiaries and joint ventures, although categorised as "factory building" or "others" rather than "warehouse", are actually used by the relevant subsidiaries and joint ventures or by the tenants for logistics and warehousing purposes. Such intended development or actual use may be found by the government to be incompatible with the zoning or other legal designation. The value of land zoned or permitted for use as a warehouse or logistics and warehousing facility may in some cases be greater than land that is designated for general manufacturing, agricultural, residential or other forms of use. As such, loss of such designation may have an immediate economic impact on the value of such property. Moreover, fines or other penalties may be imposed on the relevant subsidiaries and joint ventures, including administrative actions taken by relevant government departments to prevent continued non-conforming uses.

To establish a logistics and warehousing facility in the PRC, the WHV X H U¶ subsidiaries and joint ventures must go through various PRC governmental approval and filing processes and obtain the requisite approvals and licences for its investment in such logistics and warehousing facility and related business operations. To construct a logistics and warehousing facility, the relevant PRC subsidiaries and joint ventures must obtain permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of land acquisition and construction, including land use rights certificates, construction land planning permits, construction works planning permits, construction works commencement permits and filing forms of completion inspection etc.. Each approval is dependent on the satisfaction of a set of conditions.

7KH *URXS GLG QRW REWDLQ WKH UHOHYDQW UHTXLUHG DSSURYDO
SURMHFWV LQ WKH SDVW DQG WKHUH FDQ EH QR DVVXUDQFH WKDW
VDWLVI\LQJ WKH FRQGLWLRQV VHW RXW LQ WKH DSSOLFDEOH GHYHORSPHQW R
IDFLOLWLHV RU WKDW WKH *URXS ZLOO EH DEOH WR GDSW LWVH
SURFHVVHV UHODWHG WR WKH JUDQWLQJ RI WKHVH DSSURYDOV WKHH
ERGLHV LQ UHYL¶ZDSSOLFDEOH *URXS DQG JUDQWLQJ DSSURYDOV ,I
H[SHULHQFH PDWHULDO GHOD\V LQ REWDLQLQJ WKH UHTXLVLWH JR
LQYHVWPHQW LQ LWV VXEVLGLDULHV DQG MRLQW YHQWXUHV DQG
*URW¶SSOHDVLQJ RWKHUSEHXDLWQHVV FRXOG EH VXEVWDQWLDOO\ GLVUX
HIIHFW RQ¶WKH*URXS¶V FRQGLWLRQ DQG UHVXOWV RI RSHUDWL

The Group is required to obtain building ownership certificates or real estate ownership certificates, as the case may be, for its facilities. In the ordinary course of its business, the Group may from time to time execute a pre lease agreement with its clients in respect of certain of its facilities in advance prior to obtaining the relevant building ownership certificates of such facilities. The Group did not manage to obtain the building ownership certificate for some of its projects in the past and ther

The PRC government has exercised and continues to exercise significant influence over the PRC economy. From time to time, the PRC government adjusts its monetary and economic policies to prevent and curtail the overheating of the national and provincial economies, which may affect the markets in which the Group operates. Any action by the PRC government concerning the economy or the logistics and warehousing facility industry in particular could have a material effect on the business, financial condition and results of operations of the Group. The PRC economy may also be more susceptible to slowdowns or downturns as a result of uncertainties related to the recent trade war between the United States and the PRC. If bilateral trade between the two largest economies in the world shrinks as a result of newly introduced tariffs, the Group's business may be adversely impacted. Should trade tensions persist over a long period of time, the logistics and warehousing facility industry in the PRC may even suffer severe loss of income and encounter operational difficulties, thereby negatively impacting the Group's business, financial condition and results of operations.

7KH 3HRSOH¶V 5HSXEOLF RI &KLQD KDV DGMXVWHG WKH GHSRVLW UHVHUYH UD
WLPHV FRPPHQFLQJ IURP -DQXDU\ 7KH GHSRVLW UHVHUYH UHI
LQ UHVHUYH DJDLQVW GHSRVLWV PDGH E\ WKHLU FXVWRPHUV 7KH
LPSDFW WKH DPRXQW RI HQWLWOHPHQW GHSRVLWV PDLQWDLQHG E\ LQFOXGLQJ WKH *U
35& 7KH FHQWUDO DQG ORFDO DXWKRULWLHV LQ WKH 35& PD\ FRQ
SROLFLHV RU LPSRVH RWKHU UHJXODWLRQV RQ WKH HEXVLQHVV RSHUDWLRQV DQG
DQG UHVXOWV RI RSHUDWLRQV RI WKH *URXS

7KH *URXS LV DOVR VXEMHFW WR WKH LQGXVWULDO SROLFLHV LPS
6WDWH &RXQFLO 2SLQLRQV RQ WKH *HQHUDO 2IILFH RI WKH 6WDWH &RX
3URPRWLQJ WKH +HDOWK\ 'HYHORSPHQW RI WKH &KLQHVH &DSLWDO 0DUNHW
WKH GHYHORSPHQW RI WKH ORJLVWLFV LQGXVWU\ LQ WKH 35& DQG WKH
HQWHUSULVHV DQG JUHDWO\ VXSSRUW WKH GHYHORSPHQW RI WKH
&RXQFLO IXUWKHU HPSKDVLVHG WKDW WKH ORJLVWLFV LQGXVWU\ DV D ZKR
WKH GHYHORSPHQW RI WKH 35& HFRQRP\ DQG SURYLGHG JXLGHOL
FRQVWUXFWLRQ RI PRGHUQ ORJLVWLFV IDFLOLWLHV DQG LPSURYHG
ZDUHKRXVLQJ IDFLOLWLHV DURXQG ODUJH WUDQVSRUWDWLRQ KXEV
DURXQG ODUJH FLWLHV DQG P,QQHU0RQJROLD DQG P,QQHUFRQQHFWHG LQ EDVKHV 6WDWH &R
WKH 3URYLVLRQDO 3ODQ IRU WKH 'HYHORSPHQW RI D 0RGHUQ /RJLVWLFV
> @ 1RWKLFK KLJKOLJKWV WKDW LQWHJUDWHG WUDQVSRUWDWLRQ RI WKH C
WKH FRPSHWLWLYHQHVV RI EXVLQHVVHV DQG LPSURYH WKH HTXD
LQWHQVLYH HQFRXUDJH EHKDYLRUV WR SURPRWH WKH ORJLVWLFV DQG ZDUHK
IRU WKH *URXS WKLV FRXOG KDYH EHQHILFLDO HIIHFWV RQ WKH
WKHUH LV QR DVVXUDQFH WKDW WKH LQGXVWULDO SROLFLHV RI WK
DGYHUVHO\ DIIHFW WKH EXVLQHVV *URXS¶V RSHUDWLRQV DQG ILQDQFL

The Issuer is currently not treated as a PRC resident enterprise by the relevant tax authorities. There is no assurance that the Issuer will not be considered a resident enterprise under the PRC Enterprise Income Tax

Law and not be subject to the enterprise income tax rate of 25 per cent. on its global income in the future as a result of (a) any change in, or amendment to, the relevant PRC tax laws (including any regulations and rules promulgated thereunder), or (b) any change in, or amendment to, or amendment of any official interpretation or official application of such laws, regulations or rules. In the event that the Issuer is determined to be a PRC resident enterprise, the Issuer will consequently be subject to a 25 per cent. enterprise income tax rate on its global taxable income. In addition, the Issuer may be subject to PRC enterprise income tax reporting obligations. Further, the Issuer will be obligated to withhold PRC income taxes of up to 7 per cent. on interest payments for the Notes paid to holders that are Hong Kong resident enterprises and classified as beneficial owners under the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion in respect of Taxes on Income (the "Tax Arrangement"), as well as certain other conditions and requirements under relevant PRC laws and the Tax Arrangement. For holders that are non-resident enterprises which are not eligible for a preferential withholding tax rate under the Tax Arrangement between China and Hong Kong, the Issuer will be obligated to withhold PRC income tax of up to 10 per cent. on interest payments for the Notes if the Issuer is treated as a PRC resident enterprise. In addition, non-resident individual holders may be subject to PRC tax at a rate of 20 per cent. if the Issuer is treated as a PRC resident enterprise. Failure to withhold this income tax if required to do so could cause the Issuer to be subject to fines and other penalties. Similarly, any gain realised by such non-resident enterprise from the transfer of the Notes would be regarded as PRC source income and accordingly would be subject to a 10 per cent tax (or 20 per cent in the case of non-resident individual holders). These rates may be reduced by an applicable tax treaty arrangement.

,I WKH ,VVXHU LV WUHDWHG DV D 35& UHVLGHQW HQWHUSULVH,QFRPH WD[SD\DEOH E\ WKH ,VVXHU RQ LWV JOREDO LQFRPH DQG
ULJKW WR UHGHHP WKH 1RWHV LQ ZKROH EXW QRW LQ SDUW DQG

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Notes by non-PRC non-resident enterprise or individual Noteholders may be subject to PRC enterprise income tax ("EIT") or PRC individual income tax ("IIT") if such gain is regarded as income derived from sources within the PRC. The PRC Enterprise Income Tax Law levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC non-resident enterprise or individual Noteholder from the transfer of Notes but its implementation rules have reduced the enterprise income tax rate to 10 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident or individual Noteholder from the transfer of Notes.

+RZHYHU XQFHUWDLQW\ UHPDLQV DV WR ZKHWKHU 3UHVLGHQWLDO HQWHUSULVH RU LQGLYLGXDO 1RWHKROGHUV ZRXOG EH WUHDWHG DV
HQWHUSULVH RU LQGLYLGXDO 1RWHKROGHUV ZRXOG EH VXEMHFW WR WKH (,7 RU ,,7 7KLV ZLOO GHSHQG RQ KRZ WKH 35& (QWHUSULVH ,QFRPH 7D[/DZ WKH 35& ,QGLYLGXDO ,QFRPH 7D[/DZ $FFRUGLQJO\ DQ\ SURQRQ1RQ5HVLGHQW HQWHUSULVH UHVLGHQW RU LQGLYLGXDO .HRQJ.RQJ UHVLGHQW LQGLYLGXDO 1RWHKROGHU 35& ZLWKKROGLQJ GXWLHV DUH QRW FRQFHGHG RU RWKHUZLVH PRGLILHG IURP WKH 1RWHKROGHUV DUH QRW FRQFHGHG RU RWKHUZLVH PRGLILHG IURP WKH 35& DQG DOO RWKHU DSSOLFDEOH 35& WD[ODZV

7KHUHIRUH 35& LQFRPH WD[RQ QRQ3UHVLGHQW UHVLGHQW 1RWHKROGHUV JDLQV GHULYHG IURP WKH WUDQVIHU RI 1RWHV DUH DQG WKH MXULVGLFWLRQ RI 35& UHVLGHQFH RI QRQ3UHVLGHQW LQGLYLGXDO UHVLGHQW KROGHUV RU H[HPSWV WKH UHOHYDQW (,7 RU ,,7 WKH YDOXH RI WKHLU LQY
DIIHFWHG

PRC laws and regulations govern the Group's operations in the PRC. Many of the Company's operating subsidiaries are organised under PRC laws. The PRC

WKH 3¶M F5SHGSHXEOLF R³I &KLQDDLWKHH WR REWDLQ DSSURYDO IURP WKH
LQWR DQ\ IRUHLJQ FXUUHQF\ IRU IRUHLJQ H[FKDQJH WUDQVDFWLRQV
RI RSHUDWLRQV DQG ILQDQFLDO FRQGLWLRQ 0RUHRYHU LI WKH *U
PLJKW QRW EH DEOH WR REWDLQ RU SUROHQJ RU GR VR RQ FRPPHUFLDOO\ UHDVRQDEOH WHUPV
2Q WKH RWKHU KDQG SKDPQJHVWUDDEOH DQG RWKHU GHULYDWLYH WUDQVDFWLRQV 5&SHUWDLQ WR
IUHHO\ FRQYHUWLEOH DQG GHOLYHUDEOH IRUHLJQ FXUUHQFLHV RU WR REWDLQ FXUUHQF
EDQN7KHVH OLPLWDWLRQV¶VFDEOOGLWLIWRRWEWHD*QRRSHLQ FXUUHQF
RU WR REWDLQ IRUHLJQ FXUUHQFLHV IRU FDSLWDO H[SHQGLWXUHV

The Group generates a majority of its revenues in Renminbi, and a portion of its revenues, expenses, bank borrowings and debt securities are denominated in the HK dollar, the U.S. dollar and other foreign currencies. As a result, fluctuations in exchange rates, which are subject to changes resulting from the*RYHUQPHQW¶V policies, domestic and international economic and political developments as well as supply and demand in the monetary market, particularly between Renminbi, the HK dollar or the U.S. dollar, may result in foreign currency exchange losses of the Group's foreign currency-denominated assets and liabilities and could affect its ability to pay dividends in foreign currencies and its profitability.

7KH H[FKDQJH UDWH RI 5HQPLQEL WR WKH 8 6 GROODU RZLWYXHQGHU D
WKH H[FKDQJH UDWH RI 5HQKPDQEKLL WRRSHUHDWHGQFHGXRDWHDPQWDQ EH QR
DVVXUDQFH WKDW 5HQPLQEL ZLOO QRW H[SHULHQFH VLJQLILFDQW
DJDLQVW DQ\ RWKHU FXUUHQFLHV LQ WKH IXWXUH ,Q OXWKHUPRUH
GROODU DGDLQVWKW 5HRRSQLEL WR SD\ GLYLGHQGV FLHQVIRUHLEH PDW
DGYHUVHFWHG

7KH *URXS FDQQRW SUHGLFW KRZ WKH 5HQPLQEL ZLOO IOXFWXDWH
JRYHUQPHQW DXWKRULWLHV KDYH LPSOHPHQWHG HFRQRPLF UHIRUP
DV D IXQGDPHQWDO IDFWRU LQ WKH HFRQRPLF GHYHORSPHQW WUDQVLWLRQ
HFRQRP\ WR D PDUNHW-RULHQWHG HFRQRP\ )URP WLPH WR WLPH WKH 35&
YDULRXV PDFURHFRQRPLF DQG RWKHU SROLFLHV LQ
PHDVXUHV DW WLPHV RU LQ DQ WHFKQLFDOPLFQFRQGKDQRHV LQRWK
VWDELOLW\ DQG XWLOLVH QHZ VRXUFHV RI HFRQRPLF JURZWK (FR
PRGLILHG RU DSSOLHG LQFRQVLVWHQWO\ IURP LQGXVWU\ WR LQG
HFRQRPLF UHIRUP LV D GHYHORSLQJ SURFHVV $V D UHVXOW WKH
RI WKHVH PHDVXUHV ,Q DGGLWLRQG ZKHWKHUKQRWKEHQJJRRFXUDWKHO\3
HFRQRPLF DQG VRFLDO FRQGLWLRQV ODZV UHJXODWLRQV DQG S
FXUUHQW RU IXWXUH EXVLQHVV ILQDQFLDO FRQGLWLRQ DQG UHV
&KLQD KDYH UHFHQWO\ EHHQ LQYROYHG LQ FRQWURYHUV\ RYHU WU
WKH FRXQWULHV H%RPSKDRQWHG RUKSRVHG WR LPSHPHQW W
IURP WKH RWKHUQ 6EHWZDLHQQH GWKHHQQLRVHG 6WDWHV DQG &KLQD RYH
XQGHUPLQH WKH VWDELO¶VWHFRQWR\ SQRZEHOHDQGR&KSQORQJ VO
WKH JOREDO HFRQRP\ DQG PD\ PDWHULDOO\ DQG DGYHUVHO\ DIIHFW
DQG UHVXOWV RI RSHUDWLRQV)URP D JOREDO SHUVSHFWLYH DQ
PDUNHWV PD\ QHJDWL¶VHOL\TXLGLWLHEW\WKR WKHXSH[WHQW WKHU*URXS LV
,Q DGGLWLRQ DOWKRXJK WKH *URXS KDV HQWHUHG LQWR KHGJLQ
H[FKDQJH ULVN EHWZHHQ 5HQPLQEL DQG RWKHU FXUUHQFLHV KHG
HIIHFWLYH LQ PLWLJDWPLDQJNHLWVFRQQGLWLRQV $V D UHVXOW WKH IO

5HQPLQEL DQG WKH 8 6 GROODU RU RWKHU FXUUHQFLHV EQ[P
ILQDQFLDO FRQGLWLRQ UHVXOWV RI RSHUDWLRQV DQG SURVSHFW

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:

- KDYH VXIILFLHQW NQRZOHGJH DQG H[SHULHQFH WR PDNH D PH PHULWV DQG ULVNV RI LQYHVWLQJ LQ WKH UHOHYDQW 1RWHV UHIHUHQFH LQ WKLV 2IIHULQJ &LUFXODU DQ\ DSSOLFDEOH VXS

VXFK FRQVHQW DV DIRUHVDLG WKDW DQ\ (YHQW RI 'HIDXOW RU 3RV
VKDOO QRW EH WUHDWHG DV VXFK SURYLGHG WKDW LQ DQ\ VXFK
SUHMXGLFLDO WR WKH LQWHUHVWV RI WKH 1RWH +ROGHUV
LV RI D IRUPDO PLQRU RU WHFKQLFDO QDWXUH RU LV WR FRUUHFW
RI ODZ

Notes issued under the Programme may be represented by one or more Global Notes (in the case of Bearer Notes) or Global Note Certificates (in the case of Registered Notes). Such Global Notes and Global Certificates will be deposited with a common depositary for Euroclear and Clearstream or a custodian for the CMU (each of Euroclear, Clearstream and the CMU, a "Clearing System"), as the case may be. Except in the circumstances described in the relevant Global Note or Global Note Certificate, investors will not be entitled to receive definitive or individual Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes or Global

In certain circumstances, the Trustee may (at its sole discretion) request the Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or funding can be a lengthy process and

alternative financing. Even if the Issuer could obtain alternative financing, it cannot assure holders that it would be on terms that are favourable or acceptable to them.

The Conditions will be governed by English law. 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 Tranche of Notes.

The ability of the Issuer to make payments in respect of the Notes may depend upon the due performance by the other parties to the transaction documents of the obligations thereunder including the performance by the Principal Paying Agent, any other Paying Agent, each Transfer Agent, the relevant Registrar and/or the relevant Calculation Agent(s) of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of its obligations to make payments in respect of the Notes, the Issuer may not, in such circumstances, be able to fulfil its respective obligations to the Noteholders and the Couponholders.

On certain dates, including the occurrence of any early redemption event specified in the relevant Pricing Supplement or otherwise and at maturity of the Notes, the Issuer may, and at maturity, will, be required to pay

,Q 1RYHPEHU *3 PDGH DQ DQQRXQFHPHQW IRU Standard &L WKGUDZ
3RRU¶V 5DWLQJV (S&P), a division of The McGraw-Hill Companies, Inc *3 KDV WDNHQ WKLV D
GXH WR WKH LUUHFRQFLODEOH PLVPDWFK EHWZHHQ 6 3¶V FUHGLW
PRGHO ZKLFK KDV HYROYHG RYHU WKH \HDUV

Any adverse revision to the Issuer's corporate ratings, or those of its subsidiaries, for domestic and international debt by rating agencies such as S&P, Moody's or Fitch may adversely affect the Group's business, its financial performance and the trading price of the Notes. Moreover, given the Group's operational and financial ties to PRC market, a lower sovereign credit rating could increase borrowing costs and generally cause adverse conditions in credit markets, which in turn might limit the Group's ability to obtain financing or to access the capital markets, thereby lowering the Group's liquidity.

One or more independent credit rating agencies may assign credit ratings to an issue of the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There can be no assurance that the ratings assigned to any Notes will remain in effect for a given period or that the ratings will not be revised or withdrawn by the rating agencies in the future if, in their judgment, the circumstances so warrant. The Group has no obligation to inform holders of the Notes of any such suspension, revision, downgrade or withdrawal. A suspension, downgrade or withdrawal of the ratings of any Notes at any time may adversely affect the market price of the Notes.

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

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at all or at their fair market value. Although an application will be made for the Notes issued under the Programme to be admitted to listing on the Hong Kong Stock Exchange, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Notes issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

7KLV LV SDUWLFXODUO\ WKH FDVH IRU 1RWHV WKDW DUH HVSHFLD
GHVLJQHG IRU VSHFLILF LQYHVWPHQW REMHFWLYHV RU VWUDWHJ
UHTXLUHPHQWV RI OLQLYLWHG FDWHJRULHV RI 1RWHV JHQHUDO
VHFRQGDU\ PDUNHW DQG PRUH SULFH YRODWLOLW\ WKDQ FRQYHQ
HIIHFW RQ WKH PDUNHW YDOXH RI WKH 1RWHV

Any Notes that are listed on the Hong Kong Stock Exchange or any other listing authority, stock exchange or quotation system may be delisted. If any Notes are delisted, the Issuer shall use all reasonable endeavours to obtain and maintain a listing of such Notes on such other major stock exchange as they may decide. Although no assurance is made as to the liquidity of the Notes as a result of listing on any listing authority, stock exchange or quotation system, delisting the Notes may have a material adverse effect on a Noteholder's ability to resell the Notes in the secondary market.

The Issuer will pay principal and interest (if applicable) on the Notes in the currency specified in the relevant Pricing Supplement (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 (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

*RYHUQPHQW DQG PRQHWDU\ DXWKRULWLHV PD\ LPSRVH DV VRPH K
DGYHUVHO\ DIIHFW DQ DSSOLFDEOH H[FKDQJH UDWH $V D UHVXOW
WKDQ H[SHFWHG

The price and trading volume of the Notes may be highly volatile. Trading prices and volume of the Notes are influenced by numerous factors, including the operating results, business and/or financial condition of the Group, political, economic, financial and any other factors that can affect the capital markets, the industry and/or the Group generally. Adverse economic developments, acts of war and health hazards in countries in which the Group operates in could have a material adverse effect on the Group's operations, operating results,

Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments, as applicable, at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

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

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:

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:

- WKH PDUNHW SULFH RI VXFK 1RWHV PD\ EH YRODWLOH
- WKH\ PD\ UHFHLYH QR LQWHUHVW
- SD\PHQW RI SULQFLSDO RU LQWHUHVW PD\ RFFXU DW D GLIIHU DQG
- WKH DPRXQW RI SULQFLSDO SD\DEOH DW UHGHPSWLRQ PD\ EH HYHQ]HUR

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

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

Fixed Rate Notes and Floating Rate Notes (as defined in Summary of the Programme) 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.

7KH ,VVXHU¶V DELOLW\ WR FRQYHUW WKH LQWHUHVW UDWH ZLOO DIIHFW 1RWHV VLQFH WKH ,VVXHU PD\ EH H[SHFWHG WR FRQYHUW WKH UD ERUURZLQJ ,I WKH ,VVXHU KDV D UHODWLYHO\ ORZ LQWHUHVW UDWH WKH VSUHD OHVV IDYRXUDEOH WKDQ WKHQ SUHYDLOLQJ VSUHDGV RQ FRPSDUD

,Q DGGLWLRQ WKH QHZ IORDWLQJ UDWH DW DQ\ WLPH PD\ EH ORZH
IURP D IORDWLQJ UDWH WR D IL[HG UDWH WKH IL[HG UDWH PD\ EH

SXEOLVKHG IRU WKH ILUVW WLPH RQ 2FWREHU $OWKRXJK (85,
WKH WHUPV RI WKH %HQFKPDUN 5HJXODWLRQ LW UHPDLQV XQFHUW
RU ZKHWKHU LW ZLOO EH XSGDWHG RU FKDQJHG UHWURVSHFWLYHO\ RU 675 RU DQ DOWHUQDWL

7KH HOLPLQDWLRQ RI WKH %HQFKPDUN RU FKDQJHV LQ WKH PDQQHU RI GPLQ
UHTXLUH RU UHVXOW LQ DQ DGMXVWPHQW WR WKH LQWHUHVW FDO
FRQVHTXHQFHV WR KROGHUV RI DQ\ 1RWHV LQFOXGLQJ DOWHULQJ WKH EHQFK
UDWHV DUH OLQNHG WR (85,%25 RU DQ\ RWKHU VXFK EHQFKPDUN W
WR WKH LPSOHPHQWDWLRQ RI DQ\ FKDQJHV LQ RU UHSODFHPHQW RI DQ\ EHQFKPDUN
SRWHQWLDO FKDQJHV WR VXFK EHQFKPDUN PD\ DGYHUVHO\ DIIHFW
1RWHV WKH UHWXUQ RQ WKH UHOHYDQW 1RWHV DQG WKH WUDGLQ
VDPHFKHPDUN

7KH &RQGLWLRQV RI WKH 3UHIHUHQFH 6KDUHV SURYLGH WKDW D IDOOEDFN DU
WKDW D SXEOLVKHG EHQFKPDUN LQFOXGLQJ DQ\ SDJH RQ ZKLFK
VXFFHVVRU VHUYLFH EHFRPHV XQDYDLODEOH RU DQ\ SXEOLF HY
RWKHUZLVH FFXUV 6XFK DQ HYHQW PD\ EH GHHPHG WR KDYH RFF
6XFK IDOOEDFN DUUDQJHPHQWV LQFOXGH WKH SRWHQWLDO LQWURGXFWLRQ
VXFFHVVRU UDWH RU DQ DOWHUQDWLYH UDWH DQG WKDW VXFK VX
LI UHTXLUHG LQ DFFRUGDQFH ZLWK WKH UHFRPPHQGDWLRQ RI D
HOLPLQDWLRQ WR WKH H[WHQW UHDVRQDEO\ SUDFWLFDEOH LQ WKH FLU
DSSOLFDEOH WR LQYHVWRUV DULVLQJ RXW RI WKH UHSODFHPHQW
VXFK DGMXVWPHQWV WR WKH 1RWHV DQG WKH FKDQJHV
SHUIRUPLQJ GLIIHUHQWO\ ZKLFK PD\ LQFOXGH SD\PHQW RI D ORZ
FRQWLQXHG WR DSSO\ ,Q FHUWDLQ FLUFXPVWDQFHV
UHVXOW LQ WKH UDWH RI LQWHUHVW IRU WKH ODVW SUHFHGLQJ ,Q

7KLV PD\ UHVXOW LQ WKH HIIHFWLYH DSSOLFDWLRQ RI D IL[HG UDW
ODVW REVHUYHG RQ WKH 5HOHYDQW 6FUHHQ 3DJH ,Q DGGLWLRQ
VXFFHVVRU UDWHV HVWDEOLVKHG E\ WKH LQYROYHPHQW RI DQ
IDOOEDFN SURYLVLRQV PD\ QRW RSHUDWH DV LQWHQGHG DW WKH

$Q\ VXFK FRQVHTXHQFHV FRXOG KDYH D PDWHULDO DGYHUVH HIIHF

,QYHVWRUV VKRXOG FRQVXOW WKHLU RZQ LQGHSHQGHQW DGYLVH
ULVNV LPSRVHG E\ WKH %HQFKPDUN 5HJXODWLRQ UHIRUPV RU SRV
LQ PDNLQJ DQ\ LQYHVWPHQW GHFLVLRQ LQ UHODWLRQ WR WKH 1RWHV

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.

A description of risks which may be relevant to an investor in Notes denominated in Renminbi (the "RMB Notes") are set out below.

The PRC government regulates conversion between Renminbi and foreign currencies

OLPLWHG DYDLODELOLW\ RI 5HQPLQEL RXWVLGH WKH 35& PD\ DIIHF
WKH ,VVXHU WR VRXUFH 5HQPLQEL LQ WKH RIIVKRUH PDUNHW
DVVXUDQFH WKDW WKH ,VVXHU ZLOO EH DEOH WR VRXUFH VXFK 5HQ

The value of Renminbi against 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 many other factors. In 2015, the PBOC implemented changes to the way it calculates the Renminbi daily mid-point against the U.S. dollar to take into account market maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes 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 the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the Renminbi Notes in that foreign currency will decline. Depreciation of the 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. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

7KH 35& JRYHUQPHQW WUDGXDOO\ OLEHUDOLVHG LWV UHJXODWLRQ RI
OLEHUDOLVDWLRQ PD\ LQFUHDVH LQWHUHVW UDWH YRODWLOLW\ ,
WKH 35& PD\ VLJQLILFDQWO\ GHYLDWH IURP WKH LQWHUHVW UDWH
FRQWUROV 3HRSOH¶V %DQN RI &KLQD DQG UHJXODWLRQV DQG SUHYDLOLQJ PDUNHW

$V 5HQPLQEL 1RWHV PD\ FDUU\ D IL[HG LQWHUHVW UDWH WKH WUD
YDU\ ZLWK WKH IOXFWXDWLRQ LQ WKH 5HQPLQEL LQWHUHVW UDWH
5HQPLQEL 1RWHV EHDU D IL[HG LQWHUHVW UDWH WKH PDUNHW YDOXH RI LWV RZQ PDUNHW DQG RIIHU ORZHU WKDQ W

All payments to investors in respect of the Renminbi Notes will be made solely for so long as the Renminbi Notes are represented by global notes or global certificates held with the common depositary for Euroclear and Clearstream or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong or a financial centre in which a Renminbi Clearing Bank clears and settles Renminbi, if so specified in the Pricing Supplement or for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong or a financial centre in which a Renminbi Clearing Bank clears and settles Renminbi, if so specified in the Pricing Supplement in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise or individual Noteholders may be subject to EIT or IIT if such gain is regarded as income derived from sources within the PRC. The PRC Enterprise Income Tax Law levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC resident enterprise or individual Noteholder from the transfer of Renminbi Notes but its implementation rules have reduced the enterprise income tax rate to 10 per cent. The PRC

Individual Income Tax Law levies IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident or individual Noteholder from the transfer of Renminbi Notes.

+RZHYHU XQFHUWDLQW\ UHPDLQV DV WR ZKHWKHU WKH 3HRSOH¶V 5HSXEOLF RI &KLQD UHDO
UHVLGHQW ZLWKKROGLQJ LQFRPH WD[UXOHV RU WKH DSSOLFDWLRQ RI DQ\ WUHDW\ EH WUHDWHG DV LQFRPH GHULYHG L
DQG EHFRPH VXEMHFW WR WKH (,7 RU ,,7 7KLV ZLOO GHSHQG RQ
HQIRUFHPHQW SUDFWLFHV RI WKH SHUSHWXDO ,QWHUQDO 5HYHQXH &RGH DQG LWV DSSOLFDWLRQ ,QFRPH 7D[UXOHV DQG
LPSOHPHQWLQJ UXOHV $FFRUGLQJ WR WKH DUUDQJHPHQWV HVWDEOLVKHG XQGHU WKH
WD[WUHDWLHV EHWZHHQ WKH 3HRSOH¶V 5HSXEOLF RI &KLQD DQG RWKHU MXULVGLFWLRQV UHVLGHQW +RQJ .RQJ
1RWHKROGHUV GHHPHG WR QRW EH VXEMHFW WR (,7 RU ,,7 RQ FDSLWDO JDLQV G
VXFK SURFHHGV DUH QRW FRQQHFWHG ZLWK DQ RIILFH RU HVWDEOLVK
DOO WKH RWKHU UHTXLUHPHQWV DUH
7KHUHIRUH 3HRSOH¶V 5HSXEOLF RI &KLQD UHVLGHQW HQWHUSULVHV TXDOLILHG IRU SD\ 35& LQ
JDLQV GHULYHG IURP WKH WUDQVIHU RI 5HQPLQELL 1RWHV
EHWZHHQ 35& DQG WKH MXULVGLFWLRQ LQ ZKLFK WKH 1RWHKROGHU LV UH
5HQPLQEL 1RWHV UHVLGH WKDW UHGXFH WKH RYHUDOO SURFHHGV WKHLU
5HQPLQEL 1RWHV PD\ EH PDWHULDOO\ DQG DGYHUVHO\ DIIHFWHG

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 is 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.

7KHUH LV QR DVVXUDQFH WKDW WKH QHFHVVDU\ DSSURYDOV IURP DQG
ERUGHU 5HQPLQEL UHPLWWDQFHV LQ WKH IXWXUH WKDW WKH SLO
QHZ 35& UHJXODWLRQV ZLOO QRW EH SURPXOJDWHG LQ WKH IXWXUH
WKH UHPLWWDQFH RI 5HQPLQEL LQWR RU RXWVLGH WKH 35& ,Q WK
SURFHHGV LQWR WKH 35& LQ 5HQPLQEL DQG UHSDWULDWH VXEVHTXH
LQ 5HQPLQEL LW ZLOO QHHG WR VRXUFH 5HQPLQEL RXWVLGH WKH
1RWHV DQG LWV DELOLW\ WR GR VR ZLOO EH VXEMHFW WR WKH RY

7KH IROORZLQJ RWKHU WKDQ WKH ZRUGV LQ LWDOLFV LV WKH WH
FRPSOHWHG E\ WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW ZLOO EH HQ
WKH 3URJUDPPH 7KH QWHDSSOLFDEOH FRQGLWLRQ 1RWH LQ JOREDO IRU
DQG FRQGLWLRQV ZKLFK ZRXOG DSSO\ WR WKH 1RWH ZHUH LW LQ G
RI 3URYLVLRQV 5HODWLQJ WR WKH 1RWHV ZKLOH LQ *OREDO)RUP´

1

(a) */3 &KLQD +RG1<ÃWÕ&3OLHG WKH ³ KDV HVWDEOLVK
D 0HGLXP 7HUP 1RWH 3URJUDPPH WKH ³

(e) 7KH 1RWHV PD\ EH LVVXHG LQ ´EHDUHU LQIRUPJLYHUHG
³ ´ $OO VXEVHTXHQW UHIHUHQFHV LQ WKHVH &RQGLW
DUH WKH VXEMHFW RI WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW
DYDLODEOH IRU YLHZLQJ DQG FRSLHV PDY EH REWDLQHG3DUDJUD
DQG 7UDQVIHU $JHQWV

(f) &HUWDLQ SURYLVLRQV RI WKHVH &RQGLWLRQV DUH VXE
$JUHHPHQW DQG DUH VXEMHFW WR WKHLU GHWDLOHG SURYLVL
RI WKH UHODWHG LQWHUHVW FRXSRQG WKHÓQ\HWSHFLYHO\
ERXQG E\ DQG DUH GHHPHG WR KDYH QRWLFH RI DOO WKH S
$JUHHPHQW DSSOLFDEOH WR WKHP &RSLHV RI WKH 7UXVW 'HH
LQVSHFWLRQ XSRQ WSHUQ QRWLFH DQG VDWLVIDFWRU\ SURRI RI
EXVLQHVV KRXUV DW WKH 6SHFLILHG 2IILFHV RI HDFK RI WKH $

2

(a) ,Q WKHVH &RQGLWLRQV WKH IROORZLQJ H[SUHVVLRQV K

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQJ

³ ´ PHDQV WKH FLW\ RU FLWLHV VSHFLILHG DV
6XSSOHPHQW

³ ´ PHDQV WKH FLW\ RU FLWLHV VSHFLILHG DV
6XSSOHPHQW

³ ´ PHDQV WKH DQQXDO DXGLWHG FRQVROLGDWH
RWKHU FRPSUHKHQVLYH LQFRPH VWDWHPHQW RI ILQDQFLDO SI
FKDQJHV LQ HTXLW\ RI WKH ,VVXHU DQG LWV6XEVLGLDULHV, VD
WRJHWKHU ZLWK DQ\ VWDWHPHQWV UHSRUWV LQFOXGLQJ DQ\
WR RU WR EH UHDG ZLWK DQ\ RI WKHP

³ ´ PHDQV

(a) LQ UHODWLRQ WR DQ\ VXP SD\DEOH LQ HXUR D 7$5*(7 6H
6DWXUGD\ RU D 6XQGD\ RQ ZKLFK FRPPHUFLDO EDQNV DQG
JHQHUDOO\ LQ HDFK LI DQ\ $GGLWLRQDO %XVLQHVV &HQW

(b) LQ UHODWLRQ WR DQ\ VXP SD\DEOH LQ 5HQPLQEL D GD\ R
FRPPHUFLDO EDQNV DQG IRUHLJQ H[FKDQJH PDUNHWV DUH
SD\PHQWV LQ +RQJ .RQJ DQG DUH QRW DXWKRUL]HG RU UHT
FORVHG DQG

(c) LQ UHODWLRQ WR DQ\ VXP SD\DEOH LQ D FXUUHQF\ RWKHU
6DWXUGD\ RU D 6XQGD\ RQ ZKLFK FRPPHUFLDO EDQNV DQG
JHQHUDOO\ LQ WKH 3ULQFLSDO)LQDQFLDO &HQWUH RI WKH
%XVLQHVV &HQWUH

³ ´ LQ UHODWLRQ WR DQ\ SDUWLFXODU GDWH KD
3ULFLQJ 6XSSOHPHQW DQG LI VR VSHFLILHG LQ WKH UHOHYDQW
LQ UHODWLRQ WR GLIIHUHQW GDWHV DQG VHSDUDWH WKH[WI
PHDQLQJV

(a) ³ ´ PHDQV WKDW WKH UHOHYDQW GDWH
ILUVW IROORZLQJ GD\ WKDW LV D %XVLQHVV 'D\

(b) ³ ´ RU ³ ´
PHDQV WKDW WKH UHOHYDQW GDWH VKDOO EH SRVWSRQHG
XQOHVV WKDW GD\ IDOOV LQ WKH QH[W FDOHQGDU PRQWK L
GD\ WKDW LV D %XVLQHVV 'D\

(c) ³ ´ PHDQV WKDW WKH UHOHYDQW GDWH V
WKH ILUVW SUHFHGLQJ GD\ WKDW LV D %XVLQHVV 'D\

(d) ³ ´ ³ ´ RU ³ ´ PHDQV WKDW
HDFK UHOHYDQW GDWH VKDOO EH WKH GDWH ZKLFK QXPHUL
WKH FDOHQGDU PRQWK ZKLFK LV WKH QXPEHU RI PRQWKV V
DV WKH 6SHFLILHG 3HULRG DZKLFK LV WKH SDUHQGDQJ PRQWKG
SURYLGHG KRZHYHU WKDW

(i) LI WKHUH LV QR VXFK QXPHULFDOO\ FRUUHVSRQGLQJ GD
GDWH VKRXOG RFFXU WKHQ VXFK GDWH ZLOO EH WKH
FDOHQGDU PRQWK

(ii) LI DQ\ VXFK GDWH ZRXOG RWKHUZLVH IDOO RQ D GD\ ZK
ZLOO EH WKH ILUVW IROORZLQJ GD\ ZKLFK LV D %XVLQ
FDOHQGDU PRQWK LQ ZKLFK FDVH LW ZLOO EH WKH'D\ LU
DQG

(iii) LI WKH SUHFHGLQJ VXFK GDWH RFFXUUHG RQ WKH ODV
%XVLQHVV 'D\ WKHQ DOO VXEVHTXHQW VXFK GDWHV ZL
LQ WKH FDOHQGDU PRQWK ZKLFK LV WKH VSHFLILHG QX
LQ ZKLFK WKH SUHFHGLQJ VXFK GDWH RFFXUUHG DQG

(e) ³ ´ PHDQV WKDW WKH UHOHYDQW GDWH VKDOO QRW
%XVLQHVV 'D\ &RQYHQWLRQ

³ ´ PHDQV WKH 3ULQFLSDO 3D\LQJ $JHQW RU VXFK RW
3ULFLQJ 6XSSOHPHQW DV WKH SDUW\ UHVSRQVLEOH IRU FDOFXO
DQG RU VXFK RWKHU DPRXQW V DVFRLQJ6XSSOHPHQWG LQ WKH U

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULF

D ³ ´ RFFXUV ZKHQ

(a) DQ\ 3HUVRQ RU 3HUVRQ RWKHU WKDQ WKH 3HUPLWWHG +
&RQWURO RI WKH ,VVXHU RU

(b) WKH 3HUPLWWHG +ROGHUV GLUHFWO\ RU LQGLUHFWO\ DF
VKDUHKROGHU RI WKH ,VVXHU RU

(c) WKH ,VVXHU FRQVROLGDWHV ZLWK RU PHUJHV LQWR RU VHO
WR DQ\ RWKHU 3HUVRQ XQOHVV WKH FRQVROLGDWLRQ PH
3HUVRQ RU 3HUVRQV DFTXLULQJ&RQWURO WXUFHUVRQV RU WKH,VVXH

³ ´ PHDQV D GD\ RWKHUXQWKDQ D6DWXUGD\KROLGD\ F
LQ %HLMLQJ WKH 35& DUH QRW DXWKRUL]HG RU REOLJDWHG E

3 ´ LV WKH \HDU H[SUHVVHG DV D QXPEHU LQ ZKLFK WKH
LQFOXGHG LQ WKH &DOFXODWLRQ 3HULRG IDOOV

3 ´ LV WKH HQGDU PRQWK H[SUHVVHG DV D QXPEHU LQ ZKI
3HULRG IDOOV

3

³ ´ LV WKH FDOHQGDU PRQWK H[SUHVVHG DV D QXPEHU ZLWK
ODVW GD\ LQFOXGHG LQ WKH &DOFXODWLRQ 3HULRG IDOOV

³ ´ LV WKH ILUVW FDOHQGDU GD\ H[SUHVVHG DV D QXPEHU
GD\ LV WKH ODVW GD\ RI)HEUXDU\ RU LL ZLWK QR

³ ´ LV WKH FDOHQGDU GD\ H[SUHVVHG DV D QXPEHU LPPHG
WKH &DOFXODWLRQ 3HULRG XQOHVV L WKDW GD\ LV WKH
LL VXFK QXPEHU ZRXOG ZHOO EHQ ZKLFK FDVH '

SURYLGHG KRZHYHU WKDW LQ HDFK VXFK FDVH WKH QXPEHU
IURP DQG LQFOXGLQJ WKH ILUVW GD\ RI WKH &DOFXODWLRQ 3H
3HULRG

³ ´ PHDQV LQ UHVSHFW RI DQ\ 1RWH
SULQFLSDO DPRXQW RU VXFK RWKHU DPRXQW DV PD\ EH VSHFL
UHOHYDQW 3ULFLQJ 6XSSOHPHQW

³ ´ PHDQV LQ UHVSHFW RI DQ\ 1RWH LWV SU
DPRXQW DV PD\ EH VSHFLILHG LQ RU GHWHUPLQHG LQ DFFRUG

³ ´ PHDQV LQ UHVSHFW RI DQ\ 1RWH LWV SULQFL
DV PD\ EH VSHFLILHG LQ RU GHWHUPLQHG LQ DFFRUGDQFH Z
6XSSOHPHQW

³ ´ PHDQV (XURFOHDU %DQN 6 $ 1 9

³ ´ KDV WKH PHDQLQJ JLYHQ WR 5HIHUHQFH 5DWH

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH 7UXVW 'HHG

³ ´ PHDQV LQ UHVSHFW RI DQ\ 1RWH LWV SULQFL
DV PD\ EH VSHFLILHG RU GHWHUPLQHG LQ DFFRUGDQFH ZLWK

³ ´ PHDQV WKH GDWH VSHFLILHG LQ WKH UHOHYD

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3UL

³ ´ PHDQV WKH ,VVXHU DQG LWV 6XEVLGLDULHV WDNHQ DV D

³ ´ LQ WKH FDVH RI %HDUHU 1RWHV KDYLQJ WKH 'HQRPL
7LWOH DQG 6WDWHG 0DWXULW\ %HDULQJ LQWHUHVW DW D
LQ &RQGLWLRQ 'HQRPLQDWLRQ ±7LWOH DQG 6WDWHG 0DWXULW\

³ ´ PHDQV WKH +RQJ .RQJ 6SHFLDO $GPLQLVWUDWLYH 5HJL

³ ´ PHDQV DQ\ LQGHEWHGQHVV RI DQ\ 3HUVR
UDLVHG LQFOXGLQJ ZLWKRXW OLPLWDWLRQ DQ\ LQGHEWHGQH

³ ´ PHDQV LQ UHODWLRQ WR D 1RWH DQG DQ ,QWHUHV
LQ UHVSHFW RI WKDW 1RWH IRU WKDW ,QWHUHVW 3HULRG

³ ´ PHDQV WKH ,VVXH 'DWH RI WKH 1RWHV RU
VSHFLILHG DV WKH ,QWHUHVW &RPPHQFHPHQW 'DWH LQ WKH UH

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW

³ ´ PHDQV WKH)LUVW ,QWHUHVW 3D\PHQW 'DWH DQ
DV VXFK LQ RU GHWHUPLQHG LQ DFFRUGDQFH ZLWK WKH SURY
D %XVLQHVV 'D\ &RQYHQWLRQ LV VSHFLILHG LQ WKH UHOHYDQW

(a) DV WKH VDPH PD\ EH DGMXVWHG LQ DFFRUGDQFH ZLWK WKH

(b) LI WKH %XVLQHVV 'D\ &RQYHQWLRQ LV WKH)51 &RQYHQWLR
&RQYHQWLRQ DQG DQ LQWHUYDO RI D QXPEHU RI FDOHQGD
6XSSOHPHQW DV EHLQJ WKH 6SHFLILHG &XUUHQF\ DQG WKH
WKH)51 &RQYHQWLRQ)ORDWLQJ 5DWH &RQYHQWLRQ RU (
3HULRG RI FDOHQGDU PRQWKV IROORZLQJ WKH ,QWHUHVW
,QWHUHVW 3D\PHQW 'DWH \RXQJ WKH SUHYLRXV \HDU

³ ´ PHDQV HDFK SHULRG EHJLQQLQJ RQ DQG LQFOXGLQJ
DQ\ ,QWHUHVW 3D\PHQW 'DWH DQG HQGLQJ RQ EXW H[FOXGLQJ

³ ´ PHDQV WKH ,6'$ 'HILQLWLRQV DV DPHQGHG DQG
RI WKH ILUVW 7UDQFKH RI WKH 1RWHV RI WKH UHOHYDQW 6HULH
DV SXEOLVKHG E\ WKH ,QWHUQDWLRQDO 6ZDSV DQG 'HULYDWLY

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQJ 6

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQJ 6X

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQ

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQ

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQ

³ ´ LQ WKH FDVH RI %HDUHU 1RWHV KDV WKH PHDQLQ
'HQRPLQDWLRQ 7LWOH DQG 5HJLVWHUHG 1RWHV FDVH RI 5HJLVWHU
PHDQLQJ JLYHQ LQ &RQGLWLRQ ±7LWOH DQG 5HJLVWHUHG

³ ´ PHDQV LQ UHVSHFW RI DQ\ 1RWH LWV
RWKHU DPRXQW DV PD\ EH VSHFLILHG LQ RU GHWHUPLQHG LQ D

³ ´ PHDQV LQ UHVSHFW RI DQ\ 1RWH LWV
RWKHU DPRXQW DV PD\ EH VSHFLILHG LQ RU GHWHUPLQHG LQ D

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQ

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQ

³ ´ PHDQV

(a) LI WKH FXUUHQF\ RI SD\PHQW LV HXUR DQ\ GD\ ZKLFK LV

(i) D GD\ RQ ZKLFK $ EDQNV LQ WKH UHOHYDQW SODFH R
DQG SD\PHQW RI EHDUHU GHEW VHFXULWLHV DQG IRU G

RQ ZKLFK FRPPHUFLDO EDQNV DUH RSHQ IRU JHQHUDO
FXUUHQFLHV LQ WKH FLW\ ZKHUH WKH 3ULQFLSDO 3D\L
/RGJLQJ DQG 3D\LQJ $JHQW KDV LWV 6SHFLILHG 2IILFH

(ii) LQ WKH FDVH RI SD\PHQW E\ WUDQVIHU WR DQ DFFRXQW
ZKLFK GHDOLQJV LQ IRUHLJQ FXUUHQFLHV PD\ EH FDU
)LQDQFLDO &HQWUH RU

(b) LI WKH FXUUHQF\ RI SD\PHQW LV QRW HXUR DQ\ GD\ ZKLFK

(i) D GD\ RQ ZKLFK $ EDQNV LQ WKH UHOHYDQW SODFH R
DQG SD\PHQW RI EHDUHU GHEW VHFXULWLHV DQG IRU G
RQ ZKLFK FRPPHUFLDO EDQNV DUH RSHQ IRU JHQHUDO
FXUUHQFLHV LQ WKH FLW\ ZKHUH WKH 3ULQFLSDO 3D\L
/RGJLQJ DQG 3D\LQJ $JHQW KDV LWV 6SHFLILHG 2IILFH

(ii) LQ WKH FDVH RI SD\PHQW E\ WUDQVIHU WR DQ DFFRXQ
FXUUHQFLHV H[FOXGLQJ SD\PHQWV LQ 5HQPLQEL PD\ E
&HQWUH RI WKH FXUUHQF\ RI SD\PHQW DQG LQ HDFK LI

(iii) LQ WKH FDVH RI SD\PHQWV LQ 5HQPLQEL D GD\ RQ ZK
H[FKDQJH PDUNHWV LQ +RQJ .RQJ DUH RSHQ IRU EXVL
SD\PHQWV

³ ´ PHDQV */3 3WH /WG DQG DQ\ WUXVW FRUSRUDWH
ZKLFK WKH GLUHFW RU LQGLUHFW EHQHILFLDU\ HTXLW\ KROGH
PDMRULW\ RU PRUH FRQWUROOLQJ LQWHUHVW LV */3 3WH /WG

³ ´ PHDQV DQ\ LQGLYLGXDO FRPSDQ\ FRUSRUDWLRQ ILUP
RUJDQLVDWLRQ VWDWH RU DJHQF\ RI D VWDWH RU RWKHU HQW

³ ´ PHDQV DQ HYHQW RU FLUFXPVWDQFH ZKLFK FR
ODSVH RI WLPH WKH LVVXLQJ RI D FHUWLILFDWH DQG RU IXO
&RQGLWLRQV RI 'HIDXOW DQ (YHQW RI 'HIDXOW

³ ´ PHDQV WKH 3HRSOH¶V 5HSXEOLF RI &KLQD ZKLFK IRU WKH
.RQJ WKH 0DFDX 6SHFLDO $GPLQLVWUDWLYH 5HJLRQ RI WKH 3H

³ ´ PHDQV LQ UHODWLRQ WR DQ\ FXUUHQF\ WKH
FXUUHQF\ SURYLGHG KRZHYHU WKDW

(a) LQ UHODWLRQ WR HXUR LW PHDQV WKH SULQFLSDO ILQDQF
8QLRQ DV LV VHOHFWHG LQ WKH FDVH RI D SD\PHQW E\ W
WKH &DOFXODWLRQ $JHQW

(b) LQ UHODWLRQ WR 1HZ =HDODQG GROODUV LW PHDQV HLWK
FDVH RI D SD\PHQW E\ WKH SD\HH RU LQ WKH FDVH RI D FD

(c) LQ UHODWLRQ WR 5HQPLQEL LW PHDQV +RQJ .RQJ RU WKH
WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW

³ ´ PHDQV DQ\ 6XEVLGLDU\ RI WKH ,VVXHU

(a) ZKRVH WRWDO DVVHWV RU LQ WKH FDVH RI D 6XEVLGLDU\ Z
DVVHWV DV VKRZQ E\ LWV ODWHVW DXGLWHG FRQVROGD

FRQVROLGDWHG WRWDO DVVHWV RI WKH ,VVXHU DQG WKH *
ODWHVW SXEOLVKHG DXGLWHG FRQVROLGDWHG DFFRXQWV

(b) WR ZKLFK LV WUDQVIHUUHG WKH ZKROH RU VXEVWDQWLDOO
LPPHGLDWHO\ SULRU WR VXFK EHQHILFLDO DQG HIIHFWLYH GDWH
6XEVLGLDU\ ZKLFK VR WUDQVIHUV LWV DVVHWV VKDOO IRUW
6XEVLGLDU\ DQG WKH 6XEVLGLDU\ WR ZKLFK WKH DVVHWV
6XEVLGLDU\RQZKLFKHQGWKHILUVW SXEOLVKHG DXGLWHG DFFR
RI WKH ,VVXHU SUHSDUHG DV RI D GDWH ODWHU WKDQ VXFK
FRQWLQXH WR EH D 3ULQFLSDO 6XEVLGLDU\ WKH RZQHUVKLS
SDUDJUDSK D DERYH

SURYLGHG WKDW LQ UHODWLRQ WR SDUDJUDSK D DERYH

(i) LQ WKH FDVH RI D FRUSRUDWLRQ RU RWKHU EXVLQHVV HQ
ILQDQFLDO SHULRG WR ZKLFK WKH ODWHVW FRQVROLGDW
UHIHUHQFH WR WKH WKHQ ODWHVW,VVXHUORQGRQWKHGSXEOLVK
FDOFXODWLRQ DERYH VKDOO XQWLO FRQVROLGDWHG DXGL
LQ ZKLFK WKH UHOHYDQW FRUSRUDWLRQ RU RWKHU EXVLQH
GHHPHG WR EH VDWLVILHGQHHGEHWHVW FRQVROLGDWHG DXGLW
WR FRQVROLGDWH WKH ODWHVW DXGLWHG DFFRXQWV FRQ
KDV 6XEVLGLDULHV RI VXFK 6XEVLGLDU\ LQ VXFK DFFRXQW

(ii) LI DW DQ\ UHOHYDQW WLPH LQ UHODWLRQ WR WKH ,VVXHU
FRQVROLGDWHG DFFRXQWV DUH SUHSDUHG DQG DXGLWHG
6XEVLGLDU\ VKDOO EH GHWHUPLQHGDVRQGDWHFRQWUSURU
SXUSRVH E\ WKH ,VVXHU

(iii) LI DW DQ\ UHOHYDQW WLPH LQ UHODWLRQ WR DQ\ 6XEVLG
FRQVROLGDWHG LI DSSURSULDWH VKDOO EH GHWHUPL
FRQVROLGDWHG LI DSSURSULDWH RFKWSXUSRVHYHYE\QWWK6X
DQG

(iv) LI WKH DFFRXQWV RI DQ\ 6XEVLGLDU\ QRW EHLQJ D 6XEVLG
FRQVROLGDWHG ZLWK WKRVH RI WKH ,VVXHU WKHQ WKH GH
D 3ULQFLSDO 6XEVLGLDU\ VKDGRLOLGDWHDWDRQGRRQWDSDFFRXQW
LI DSSURSULDWH ZLWK WKH FRQVROLGDWHG DFFRXQWV G
,VVXHU

$ FHUWLILFDWH SUHSDUHG E\ D GLUHFWRU RI WKH ,VVXHU WKD
ZDV QRW D 3ULQFLSDO 6XEVLGLDU\ VKDOO LQ WKH DEVHQFH R
1RWHKROGHUV

[3] ´ PHDQV D QRWLFH ZKLFK PXVW EH GHOLYHUHG WR
ZDQWLQJ WR H[HUFLVH D ULJKW WR UHGHHP D 1RWH DW WKH RS

[3] ´ PHDQV D UHFHLSW LVVXHG E\ D 3D\LQJ $JHQW WR D
RI D 1RWH ZLWK VXFK 3D\LQJ $JHQW E\ DQ\ 1RWHKROGHU ZDQW
RSWLRQ RI WKH 1RWHKROGHU

[3] ´ PHDQV WKH UDWH RU UDWHV H[SUHVVHG DV D SHUF
UHVSHFW RI WKH 1RWHV VSHFLILHG LQ WKH UHOHYDQW 3ULF
DFFRUGDQFH ZLWK WKH SURYLVLRQV RULWKHQJVHSRQGHLPWHLRQVQV DQ

³ ´ PHDQV DV DSSURSULDWH WKH)LQDO 5HGHPSWL
$PRXQW &KDQJH RI &RQWURO WKH (DUO\ 5HGHPSWLRQ $PRXQ
&DOO WKH 2SWLRQDO 5HGHPSWLRQ $PRXQW 3XUVXDQW WR WKH (DUO
WKH QDWXUH RI D UHGHPSWLRQ DPRXQW DV PD\ EH VSHFLILHG L
3ULFLQJ 6XSSOHPHQW

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFL
EDQNV VHOHFWHG E\ WKH ,VVXHU LQ WKH PDUNHW WKDW LV PR

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQ

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQ
DQG SHULRG VSHFLILHG LQ WKH UHOHYDQW 3ULFLQJ 6XSSOHPH

³ ´ PHDQV

(a)

WKH LQIRUPDWLRQ DSSHDULQJ WKHUH IRU WKH SXUSRVH RI GLV
5DWH

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQ

³ ´ PHDQV DQ\ SURSRVDO WR FKDQJH DQ\ GDWH IL[HG I
UHVSHFW RI WKH 1RWHV WR UHGXFH WKH DPRXQW RI SULQFLS
1RWHV WR DOWHU WKH PHWKRG RI FDOFXODWLQJ WKH DPRXQW
IRU DQ\ VXFK SD\PHQW RWKHU WKDQ DQ\ FKDQJH DULVLQJ IU
EHQFKPDUN XVHG WR GHWHUPLQH WKH DPRXQW RI DQ\ SD\PHQW
RI DQ\ SD\PHQW XQGHU WKH 1RWHV RU WR FKDQJH WKH TXRU
PDMRULW\ UHTXLUHG WR SDVV DQ ([WUDRUGLQDU\ 5HVROXWLRQ

³ ´ KDV WKH PHDQLQJ JLYHQ WR LW LQ WKH 3ULFLQJ 6XSSOHPHQW

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULF

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH $JHQF\ $JUHHPHQW

³ ´ KDV WKH PHDQLQJ JLYHQ LQ WKH UHOHYDQW 3ULFLQ

³ ´ PHDQV LQ UHODWLRQ WR DQ\ 3HUVRQ DQ\ SDUW\ WR
3HUVRQ WKH ³´

(a) ZKRVH DIIDLUV DQG SROLFLHV WKH ILUVW 3HUVRQ FRQWUO
RZQHUVKLS RI VKDUH FDSLWDO FRQWUDFW WKH SRZHU WR
ERG\ RI WKH VHFRQG 3HUVRQ RU RWKHUZLVH RU

(b) ZKRVH ILQDQFLDO VWDWHPHQWV DUH LQ DFFRUGDQFH ZL
DFFRXQWLQJ SULQFLSOHV FRQVROLGDWHG ZLWK WKRVH RI

³ ´ PHDQV D WDORQ IRU IXUWKHU &RXSRQV

³ ´ PHDQV WKH UHDO WLPH JURVV VHWWOHPHQW V\VWHP RSHUD

³ ´ PHDQV DQ\ GD\ RQ ZKLFK 7 LV RSHQ IRU WKH V

³ ´ PHDQV WKH 7UHDW\ RQ WKH)XQFWLRQLQJ RI WKH (XURSH

³ ´ PHDQV WKH XHO RU DQ\ RWKHU LQWHULP UH
E\ DSSOLFDEOH ODZ RU UHJXODWLRQV XQDXGLWHG FRQVROL
FRPSUHKHQVLYH LQFRPH VWDWHPHQW RI ILQDQFLDO SRVLWLRQ
LQ HTXLW\ RI WKH ,VVXHU DQG LWV 6XEVLGLDULHV DQG VWDWH
DQ\ VWDWHPHQWV UHSRUWV LQFOXGLQJ DQ\ GLUHFWRUV¶ DQG
WR RU LQWHQGHG WR EH UHDG ZLWK DQ\ RI WKHP DQG

³ ´ PHDQV D 1RWH VSHFLILHG DV VXFK LQ WKH UHOHY

(b) ,Q WKHVH &RQGLWLRQV

(i) LI WKH 1RWH&RXSRQ =HURV RU DUH 5HJLVWHUHG 1RWHV
&RXSRQKROGHUV DUH QRW DSSOLFDEOH

(ii) LI 7DORQV DUH VSHFLILHG LQ WKH UHOHYDQW 3ULFLQJ 6XS
WLPH RI LVVXH UHIHUHQFHV WR &RXSRQV VKDOO EH GHHPH

(iii) LI 7DORQV DUH QRW VSHFLILHG LQ WKH UHOHYDQW 3ULFLQ
WKH WLPH RI LVVXH UHIHUHQFHV WR 7DORQV DUH QRW DSS

(iv)

WKH 1RWH &HUWLILFDWH UHODWLQJ WKHUHWR RWKHU WKDQ V
SUHYLRXV ORVV RU WKHIW WKHUHRI DQG QR 3HUVRQ VKDOO EH
KDYH DQ\ ULJKW WR HQIRUFH DQ\ 1RWH &HUWLILFDWH RU DQ\ 7UDQVIHU $JUHHPHQW
$FW

(f) 6XEMHFW WR SDUDJUDSKV 5HJXODWLRQ RI WKH
FRQFHUQLQJ WUDQVIHEUHVWULFWHGGDU5HJLVWUDWLRQ RI NRWH PD\ EH WUDQ
WKH UHOHYDQW 1RWH &HUWLILFDWH ZLWK WKH HQGRUVHG IRU
RI WKH UHOHYDQW 5HJLVWUDU RU DQ\ 7UDQVIHU $JHQW 5HJLVWUDWLRQ
DV WKH FDVH PD\ EH VXFK 7UDQVIHU $JHQW PD\ UHDVRQDEO\
WKH DXWKRULW\ RI WKH LQGLYLGXDOV ZKR KDYH H[HFXWHG W
5HJLVWHUHG 1RWH PD\ QRW EH WUDQVIHUUHG XQOHVV WKH SUL
ZKHUH QRW DOO RI WKH 5HJLVWHUHG 1RWHV DUH HQGRUVHG
WKH EDODQFH RI 5HJLVWHUHG 1RWHV QRW WUDQVIHUUHG DU
5HJLVWHUHG 1RWHV UHSUHVHQWHG E\ WKH VXUUHQGHUHG 1RW
1RWH&HUWLILFDWH LQ UHVSHFW RI WKH EDODQFH RI WKH 5HJLVWH
WUDQVIHU RI WLWOH WR D 1RWH ZLOO EH YDOLG XQOHVV DQG X

(g) :LWKLQ ILYH EXVLQHVV GD\V RI WKH
&HUWLILFDWH LQ DFFRUGDQFH7UDQVIHZLWK SDUDJUDSKHRUWHOHYDQW
ZLOO UHJLVWHU WKH WUDQVIHU LQ TXHVWLRQ DQG GHOLYHU D
5HJLVWHUHG 1RWHV WUDQVIHUUHG WR HDFK UHOHYDQW +ROGH
6SHFLILHG2RI DQ\ 7UDQVIHU $JHQW RU DW WKH GHUHTXHVW DQ
XQLQVXUHG ILUVW FODVV PDLO DLUPDLO LI RYHUVHDV WR WK
+ROGHU ,Q WKLV SDUDJUDSK D GD\ RQ ZKLFK FRPPHUFLDO EDQ
EXVLQHVV LQFOXGLQJ GHDOLQJV LQ IRUHLJQ FXUUHQFLHV LQ
PD\ EH WKH UHOHYDQW 7UDQVIHU $JHQW KDV LWV 6SHFLILHG 2

(h) 7KH WUDQVIHU RI D 5HJLVWHUHG 1RWH ZLOO EH HIIHFW
,VVXHU RU WKH UHOHYDQW 5HJLVWUDU RU DQ\ 7UDQVIHU $JHQW
RU DV WKH FDVH PD\ EH VXFK7UHQVIHUHH RJHQW PD\[UHTXLUHU
QDWXUH ZKLFK PD\ EH OHYLHG RU LPSRVHG LQ FRQQHFWLRQ ZL

(i) 1RWHKROGHUV PD\ QRW UHTXLUH WUDQVIHUV WR EH
HQGLQJ RQ WKH GXH GDWH IRU DQ\ SD\PHQW RI SULQFLSDO RU

(j) $OO WUDQVIHUV RI 5HJLVWHUHG
WKH 5HJLVWHU DUH VXEMHFW WR WKH GHWDLOHG UHJXODWLRQ
WR WKH $JHQF\ $JUHHPHQW 7KH UHJXODWLRQV PD\ EHDKDQJH
RI WKH UHOHYDQW 5HJLVWUDU $ FRS\ RI WKH FXUUHQW UHJXO
UHOHYDQW 5HJLVWUDU WR DQ\ 1RWHKROGHU XSRQ SULRU ZULW

4

7KH 1RWHV FRQVWLWXWH GLUHFW XQFRQGLWLRQDO DQG VXEMHF
,VVXHU ZKLFK ZLOOSDWL DSDPRQJ WKHPVHOYHV DQG DOO RWKHU
SUHIHUHQFH RU SULRULW\ ZLWK DOO RWKHU SUHVHQW DQG IXWX
REOLJDWLRQV DV PD\ EH SUHIHUUHG E\ SURYLVLRQV RI ODZ WKDW

5

(a) 6R ORQJ DV DQ\ 1RWH UHPDLQV RXWVWDQGLQJ DV
VKDOO QRW DQG WKH ,VVXHU VKDOO SURFXUH WKDW WRQRXEHV
PRUWJDJH OLHQ SOHGJH FKDUJH RU RWKHU VLPLODU VHFXUL
WKH ODZV RI DQ\ MXULVGLFWLRQ XSRQ WKH ZKROH RU DQ\ SD
VHFXUH DQ\ 5HVHOHYDQW ,QGHEWHGQHVV ZLWKRXW D DW WKH VDPH WLPH RU SU
DQG UDWHDEO\ WKHUHZLWK WR WKH VDWLVIDFWLRQ RI WKH 7UX
DV WKH 7UXVWHH PD\ LQ LWV DEVROXWH GLVFUHWLRQ UHTXLUH
RI WKH 1RWHKROGHUV RU DV PD\ EH DSSURYHG E\ DQ ([WUDRU

(b))RU VR ORQJ DV DQ\ 1RWH UHPDLQV RXWVWDQ
7UXVWHH ZLWK

(i) D &RPSOLDQFH &HUWLILFDWH RQ ZKLFK WKH 7UXVWHH PD\
WR DQ\ 1RWHKROGHU DW WKH WLPH RI GHVSDWFK WR WKH

(ii) DV VRRQ DV WKH\ DUH DYDLODEOH EXW LQ DQ\ HYHQW ZLV
3HULRG FRSLHV RI WKH $XGLWHG)LQDQFLDO 5HSRUWV D
DXGLWRUV DQG

(iii) DV VRRQ DV WKH\ DUH DYDLODEOH EXW LQ DQ\ HYHQW ZLV
3HULRG FRSLHV RI WKH 8QDXGLWHG)LQDQFLDO 5HSRUWV S
)LQDQFLDO 5HSRUWV

6

(a) 7KLV &RQGLWLRQ 1RWH 1RWHV 3DSHU WR WKH 1RWH
5DWH 1RWH 3URYLVLRQV DUH VSHFLILHG LQ WKH UHOHYDQW 3U

(b) 7KH 1RWHV EHDU LQWHUHVW IURP DQG LQFOXGLQJ
WKH 5DWH RI ,QWHUHVW SD\DEOH LQ DUUHDU RQ HDFK ,QWHUH
3D\PHQW 'DWH DQG WKH\ VKDOO EH GXO\ DQG SXQFWXDOO\ SDLG E\ WKH
WR EHDU LQWHUHVW IURP WKH GXH GDWH IRU ILQDO UHGHPSW
5HGHPSWLRQ $PRXQW LV LPSURSHUO\ ZLWKKHOG RU UHIXVHG
DFFRUGDQFH ZLWK WKLV &RQGLWLRQ DV ZHOO DIWHU DV EHIRUH
WKH GD\ RQ ZKLFK DOO VXPV GXH LQ UHVSHFW RI VXFK 1RWH
UHOHYDQW 1RWHKROGHU DQG GD\V DIWHU WKH GDWH RQ ZKLFK LW
KDV QRWLILHG WKH 1RWHKROGHUV WKDW LW KDV UHFHLYHG DO
GD\ H[FHSW WR WKH H[WHQW WKDW WKHUH LV DQ\ VXEVHTXHQ

(c) 7KH DPRXQW RI LQWHUHVW SD\DEOH LQ UHVSHFW
VKDOO EH WKH UHOHYDQW)L[HG &RXSRQ $PRXQW DQG LI W
'HQRPLQDWLRQ VKDOO EH WKH UHOHYDQW)L[HG&RXSRQ $P
'HQRPLQDWLRQ

(d) 7KH DPRXQW RI LQWHUHVW SD\DEOH LQ UHVS
IRU ZKLFK D)L[HG &RXSRQ $PRXQW LV QRW VSHFLILHG VKDOO
WR WKH &DOFXODWLRQ $PRXQW PXOWLSOLHG E\ WKH SURGXFW
UHVXOWLQJ ILJXUH DV WR WKH QXPEHU RI GHFLPDO SODFHV
DQG PXOWLSOLHG VXFK URXQGHG ILJXUH E\ D IUDFWLRQ HTXD
GLYLGHG E\ WKH &DOFXODWLRQ 3HULRG 1XPEHU RI 'D\V LQ WKH FDVH R

RWKHU WKDQ HXUR WKH ORZHVW DPRXQW RI VXFK FXUUHQF\ W
VXFK FXUUHQF\ DQG LQ WKH FDVH RI HXUR PHDQV RQH FHQW

(e) 7KLV &RQGLWLRQ H VKD
1RWHV ZKLFK DUH)L[HG 5DWH 1RWHV RQO\ ZKHUH WKH 3ULFLQ
,QWHUHVW 3D\PHQW 'DWHV DUH VXEMHFW WR DGMXVWPHQW LQ
VSHFLILHG WHKHHUHQW 7KHRXQW RI LQWHUHVW SD\DEOH LQ UHVS
IRU VXFK 1RWHV VKDOO EH FDOFXODWHG E\ WKH &DOFXODWLRQ
,QWHUHVW3HULRG,QWHUHVW 3HULRG DQG WKH &DOFXODWLRQ $PRX
URXQGLQJ WKH UHVXOWLQJ ILJXUH WR WKH QHDUHVW RQH KXQGUHGWK
URXQGHG XSZDUGV DQG PXOWLSOLHG RQ VXFK DUR XQGHU WKH JXS
'HQRPLQDWLRQ RI WKH UHOHYDQW 1RWH GLYLGHG E\ WKH &DO
FDXVH WKH UHOHYDQW DPRXQW RI LQWHUHVW DQG WKH UHOHY
WKH 7UXVWHH HVQWHUV 3D\PHQW JUHJHOHYDQW 5HJLVWUDU LQ WKH FD
1RWHKROGHUV LQ DFFRUGDQFHZLWKRQ&RQGLWLRQEOH DIWHU WK
FDOFXODWLRQ EXW LQ QR HYHQW ODWHU WKDQ WKH IRXUWK %X
H[FKDQJH DQG WKH UXOHV RI VXFK H[FKDQJH VR UHTXLUHPHQW
DQG WKH UHOHYDQW ,QWHUHVW 3D\PHQW 'DWH WR EH QRWLILH
GHWHUPLQDWLRQ DWHRQ WRUE EXW LQ QR HYHQW ODWHU WKDQ WKH IL
WLPH UHTXLUHG E\ WKH UXOHV RI WKH UHOHYDQW VWRFN H[FK

7

(a) 7KLV &RQGLWLRQ GLVWLQJ 5DWH 1RWH3UORYLVLRQV WR WKH 1R
)ORDWLQJ 5DWH 1RWH 3URYLVLRQV DUH VSHFLILHG LQ WKH UHC

(b) 7KH 1RWHV EHDU LQWHUHVW IURP WKH ,QWHUHVW
,QWHUHVW SD\DEOH LQ DUUHDU RQ HDFK ,QWHUHVW3D\PHQW 'D
±%HDUHU1RWH&RQG3D\PHQWVLVWHUHG1RWHV ZLOO FHDVH WR
IURP WKH GXH GDWH IRU ILQDO UHGHPSWLRQ XQOHVV XSRQ
$PRXQW LV LPSURSHUO\ ZLWKKHOG RU UHIXVHG LQ ZKLFK FDV
ZLWK&RQGLWLRQ DV ZHOO DIWHU DV EHIRUH MXGJPHQW XQW
ZKLFK DOO VXPV GXH LQ UHVSHFW RI VXFK 1RWH XS WR WKDW
1RWHKROGHU DQG LL WKH GD\ZLKLFKSDYD3HYLRXV'DWHQWDIWHUW
QRWLILHG WKH 1RWHKROGHUV WKDW LW KDV UHFHLYHG DOO VX
H[FHSW WR WKH H[WHQW WKDW WKHUH LV DQ\ VXEVHTXHQW GH

(c) H ,I 6FUHHQ 5DW
'HWHUPLQDWLRQ LV VSHFLILHG LQ WKH UHOHYDQW 3ULFLQJ 6X
,QWHUHVW LV DUH WR EH GHWHUPLQHG WKH 5DWH RI ,QWHUHV
EH GHWHUPLQHG LQDFFRUGDQFHZLWKVXEFODXVHIROORZLQJ EDVLV

(i) LI WKH 5HIHUHQFH 5DWH LV D FRPSRVLWH TXRWDWLRQ RU
&DOFXODWLRQ $JHQW ZLOO GHWHUPLQH WKH 5HIHUHQFH 5D
DV RI WKH 5HOHYDQW 7LPH RQ WKH UHOHYDQW ,QWHUHVW '

(ii) LI /LQHDU ,QWHUSRODWLRQ LV VSHFLILHG DV DSSOLFDEOH
3ULFLQJ 6XSSOHPHQW WKH 5DWH RI ,QWHUHVW IRU VXFK
&DOFXODWLRQ $JHQW VKDOO GHWHUPLQH WKH 5HIHUHQFH5DWHZKLFK
WKH 5HOHYDQW 6FUHHQ 3DJH DV RI WKH 5HOHYDQW 7LPH R
ZKHUH

(A) RQH UDWH VKDOO EH GHWHUPLQHG DV LI WKH UHOHYDQ
ZKLFK UDWHV DUH DYDLODEOH QH[W VKRUWHU WKDQ WK

(B) WKH RWKHU UDWH VKDOO EH GHWHUPLQHG DV LI WKH UH
IRU ZKLFK UDWHV DUH DYDLODEOH QH[W ORQJHU WKDQ

SURYLGHG KRZHYHU WKDW LI QR UDWH LV DYDLODEOH IRU
EH QH[W ORQJHU WKDQ WKH OHQJWK RI WKH UHOHYDQW ,
GHWHUPLQH VXFK UDWH DW VXFK UDWH DV WKH

(iii) LQ DQ\ RWKHU FDVH WKH &DOFXODWLRQ $JHQW ZLOO GHW
5DWHV ZKLFK DSSHDU RQ WKH 5HOHYDQW 6FUHHQ 3DJH DV
'HWHUPLQDWLRQ 'DWH

(iv) LI LQ WKH FDVH RI L DERYH VXFK UDWH GRHV QRW DSSH
IHZHU WKDQ WZR VXFK UDWHV DSSHDU RQ WKDW SDJH RU L
XQDYDLODEOH

(A) WKH ,VVXHU ZLOO UHTXHVW WKH SULQFLSDO 5HOHYDQ
5HIHUHQFH %DQNV WR SURYLGH D TXRWDWLRQ RI WKH
5HOHYDQW 7LPH RQ WKH ,QWHUHVW 'HWHUPLQDWLRQ 'DW
&HQWUH LQWHUEDQN PDUNHW LQ DQ DPRXQW WKDW LV U
PDUNHW DW WKDW WLPH DQG WKH ,VVXHU VKDOO SUR
&DOFXODWLRQ $JHQW DQG

(B) WKH &DOFXODWLRQ $JHQW VKDOO GHWHUPLQH WKH DUL

(v) LI IHZHU WKDQ WZR VXFK TXRWDWLRQV DUH SURYLGHG DV U
WKH DULWKPHWLF PHDQ RI WKH UDWHV EHLQJ WKH QHDUH
&DOFXODWLRQ $JHQW TXRWHG E\ RQH PDMRU &HQWUDO IWKH 3
&XUUHQF\ VHOHFWHG E\ WKH ,VVXHU DW DSSUR[LPDWHO\
&HQWUH RI WKH 6SHFLILHG &XUUHQF\ RQ WKH ILUVW GD\ R
6SHFLILHG &XUULQJ EQWRUQHDWLRQDO EDQNV IRU D SHULRG H
DQG LQ DQ DPRXQW WKDW LV UHSUHVHQWDWLYH IRU D VLQJ

DQG WKH 5DWH RI ,QWHUHVW IRU VXFK ,QWHUHVW 3HULRG VKD
FDVH PD\ EH WKH DULWKPHWLF PHDQ VR GHWHUPLQHG SURYL
XQDEOH WR GHWHUPLQH D UDWH LQ DFFRUGDQFH WKHUHZLWK
SURYLVLRQV LQ UHODWLRQ WR DQ\ ,QWHUHVW 3HULRG WKH 5
,QWHUHVW 3HULRG ZLOO EH WKH VXP RI WKH 0DUJLQ DQG WKH
0DVW GHWHUPLQHG LQ UHODWLRQ WR WKH 1RWHV LQ UHVSHFW

(d) ,I 6FUHHQ 5DWH 'HWHUPLQDWLRQ LV VSHFLILHG LQ W
PDQQHU LQ ZKLFK WKH 5DWH V RI ,QWHUHVW LV DUH WR EH GH
IUHH DOWHUQDWLYH UHIHUHQFH UDWH IRU VXFK ,QWHUHVW 3HULRG
LQFOXGLQJ WKH PHWKRG RU EDVLV RI FDOFXODWLQJ RU GHW
VSHFLILHG UHOHYDQW 3ULFLQJ 6XSSOHPHQW

(e) ,I ,6'$ 'HWHUPLQDWLRQ LV VSHFLILHG LQ WKH UH
PDQQHU LQ ZKLFK WKH 5DWH V RI ,QWHUHVW LV DUH WR EH G
1RWHV IRU HDFK ,QWHUHVW 3HULRG ZLOO EH, 6SHFLILHG IRU
5DWH´ LQ UHODWLRQ WR DQ\ ,QWHUHVW 3HULRG PHDQV D UDWH

'HILQLWLRQV WKDW ZRXOG EH GHWHUPLQHG E\ WKH &DOFXODW
LI WKH &DOFXODWLRQ $JHQW ZHUH DFWLQJ DV &DOFXODWLRQ $
WKH WHUPV RI DQ DJUHHPHQW EHWZHHQ WKH SDUWLHV LQ

(i) WKH)ORDWLQJ 5DWH 2SWLRQ DV GHILQHG LQ WKH ,6'$ 'H
3UHFLQJ 6XSSOHPHQW

(ii) WKH 'HVLJQDWHG 0DWXULW\ ILQDQFLDO FHQWHU GHILQHG LQ WKH ,6'$ VHFL
3UHFLQJ 6XSSOHPHQW

(iii) WKH UHOHYDQW 5HVHW 'DWH DV GHILQHG LQ WKH ,6'$ 'HIL
6XSSOHPHQW DQG

(iv) LI /LQHDU ,QWHUSRODWLRQ LV VSHFLILHG DV DSSOLFDEOH
3UHFLQJ 6XSSOHPHQW WKH 5DWH RI ,QWHUHVW IRU VXFK
&DOFXODWLRQ $JHQW E\ OLQHDU LQWHUSRODWLRQ E\ UHIH

E\ LW WRJHWKHU ZLWK DQ\ UHOHYDQW SD\PHQW GDWH V WR E
VRRQ DV SUDFWLFDEOH DIWHU VXFK GHWHUPLQDWLRQ EXW LQ
DQG ,QWHUHVW 3D\PHQW UDWH DQG RWKHU WHUPV RI WKH QHZ
WKHUHRI VKDOO DOVR SURPSWO\ EH JLYHQ E\ WKH ,VVXHU WR W
H[FKDQJH DQG RU TXRWDWLRQ V\VWHP LI DQ\ RI WKH
DQG RU TXRWDWLRQ 7KH &DOFXODWLRQ $JHQW ZLOO EH HQWLV
RI WKH IRUHJRLQJ SURYLVLRQV ZLWKRXW QRWLFH LQ WKH HY
,QWHUHVW 3HULRG RU $PRXQW &DOFXODWHG WKDQ WKH PLQLPXP
&DOFXODWLRQ $JHQW VKDOO QRW EH REOLJHG WR SXEOLVK HDI
&DOFXODWLRQ $PRXQW DQG WKH ,QWHUHVW $PRXQW LQ UHVS
'HQRPLQDWLRQ

(j) $OO QRWLILFDWLRQV RSLQLRQV GHWHUPLQDWLRQV
GHFLVLRQV JLYHQ H[SUHVVHG PDGH RU REWDLQHG IRU WKH SX
ZLOO LQ WKH DEVHQFH RI PDQLIHVW HUURU EH ILQDO DQG ELQGL
WKH &RXSRQKROGHUV DQG VXEMHFW DV DIRUHVDLG QR OLDEL
$JHQW LQ FRQQHFWLRQ HZLWK WKH HEH[HUFLVH WKHUHRI VSRZQ
SXUSRVHV

8

(a) 7KLV &RQGLWLRQ 5RXSRQ 1RWH DSSOLHV WR WKH 1RWH
&RXSRQ 1RWH 3URYLVLRQV DUH VSHFLILHG LQ WKH UHOHYDQW

(b) ,I WKH 5HGHPSWLRQ $PRXQW SD\DEOH L
&RXSRQ 1RWH LV LPSURSHUO\ ZLWKKHOG RU UHIXVHG WKH 5HG
HTXDO WR WKH VXP RI

(i) WKH 5HIHUHQFH 3ULFH DQG

(ii) WKH SURGXFW RI WKH $FFUXDO <LHOG FRPSRXQGHG DQQXD
WKH EDVLV RI WKH UHOHYDQW 'D\ &RXQW)UDFWLRQ IURP
H[FOXGLQJ ZKLFKHYHU LV WKH HDUOLHU WR EH VSHFLILHG
XS WR WKDW GD\ DUH UHFHLYHG E\ RU RQ EHKDOI RI WKH
VHYHQ GD\V DIWHU WKH 3ULQFLSDO 3D\LQJ $JHQW KDV QRW
VXPV GXH LQ UHVSHFW RI VXFK 1RWH H[FHSW WR WKH
VXEVHTXHQW GHIDXOW LQ SD\PHQW

9

(a) 8QOHVV SUHYLRXVO\ UHGHHPHG RU SXUFKDVHG
UHGHHPHG DW WKHLU)LQDO 5HGHPSWLRQ $PRXQW RQ WKH 0DW
3D\PHQW 'DWH DUH 1RW &RQVLGHUHG 3DLG RQ 6XFK 1RWHV

(b) 7KH 1RWHV PD\ EH UHGHHPHG DW WKH RSWLRQ
LQ SDUW

(i) DW DQ\ WLPH XQOHVV WKH RYLOLRQV RI 3DUDJUDSH 1RWH
6XSSOHPHQW DV EHLQJ DSSOLFDEOH RU

(ii) RQ DQ\ ,QWHUHVW 3D\PHQW 'DWH LI WKH)ORDWLQJ 5DWH
3ULFLQJ 6XSSOHPHQW DV EHLQJ DSSOLFDEOH

´ VKDOO EH WKH IRXUWHHQWK GD\ DIWHU WKH H[SLU\ RI V
WKLV &RQGLWLRQ F

$ &KDQJH RI &RQWURO 3XW ([HUFLVH 1RWLFH RQFH GHOLYHU
UHGHHP WKH 1RWHV ZKLFK DUH WKH VXEMHFW RI &KDQJH RI &R
RQ WKH &KDQJH RI &RQWURO 3XW 'DWH

7KH ,VVXHU VKDOO JLYH QRWLFH WR 1RWHKROGHUV WKDW GHVFULEHV
DQG WKH 3ULQFLSDO 3D\LQJ $JHQW E\ QRW ODWHU WKDQ GD
DZDUH RI WKH RFFXUUHQFH RI D &KDQJH RI &RQWURO ZKLFK Q
E\ KROGHUV RI WKH 1RWHV SXUVXDQW WR

1HLWKHU WKH 7UXVWHH QRU WKH $JHQWV VKDOO EH UHTXLUHG
ZKLFK FRXOG OHDG WR WKH RFFXUUHQFH RI D &KDQJH RI &RQ
1RWHKROGHUV RU DQ\ RWKHU SHUVRQ IRU QRW GRLQJ VR

(d) ,I WKH &DOO 2SWLRQ LV VSHFLILHG L
6XSSOHPHQW DV EHLQJ DSSOLFDEOH WKH 1RWHV PD\ EH UHGH
VR VSHFLILHG LQ WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW WKHQ SD
UHOHYDQW 2SWLRQDO 5HGHPSWLRQ $PRXQW &DOO RQ WKH ,V
GD\V¶ QRWLFH WR WKH 1RWHKROGHUV RU VXFK RWKHU SHULR
6XSSOHPHQW QRWLFH VKDOO EH LUUHYRFDEOH DQG VKDOO REO
FDVH PD\ EH WKH 1RWHV VSHFLILHG LQ VXFK QRWLFH RQ WKH
2SWLRQDO 5HGHPSWLRQ $PRXQW DQG WKH RSWLRQ H[HUFLVHG LQWHU

(e) ,I WKH 1RWHV DUH WR EH UHGHHPHG LQ SDUW RQ
&RQGLWLRQ GHVFULEHV DSSOLFDEOH DW WKH RSWLRQ RI WKH ,VVXHU 1RWH
UHGHHPHG VKDOO EH VHOHFWHG E\ WKH GUDZLQJ RI ORWV LQ
PDQQHU DV WKH 7UXVWHH FRQVLGHUV DSSURSULDWH VXEMHFW
FRPSHWHQW DXWKRULW\ VRRQHU VXFK GDWH DV LV QHFHVVDU\ LQ
DGPLWWHG WR OLVWLQJ WUDGLQJ DQG RU TXRWDWLRQ DQG W
5HGHPSWLRQ DW WKH VRSWLRQ RI WKH ,VVXHU LDOHG GXH EHHUHGV RI
DQG LQ WKH FDVH RI 5HJLVWHUHG 1RWHV HDFK 1RWH VKDOO
DJJUHJDWH SULQFLSDO DPRXQW RI WKH RXWVWDQGLQJ 1RWH
5HGHPSWLRQ 'DWH &DOO EHDDUV DPRXQWKHRDRXWVWDQGLQJ1RW
DQ\ 0D[LPXP 5HGHPSWLRQ $PRXQW RU 0LQLPXP 5HGHPSWLRQ
3ULFLQJ 6XSSOHPHQW WKHQ WKH 2SWLRQDO 5HGHPSWLRQ $PR
PD[LPXP RUWEKHDQHWKH PLQLPXP VR VSHFLILHG

(f) ,I WKH 3XW 2SWLRQ LV VSHFLILHG L
6XSSOHPHQW DV EHLQJ DSSOLFDEOH WKH ,VVXHU VKDOO DW
1RWH RQ WKH 2SWLRQDO 5HGHPSWLRQ 'DWH 3XW VHSDUDWHG L
2SWLRQDO 5HGHPSWLRQ $PRXQW 3XW WRJHWKHU ZLWK LQWH
H[HUFLVH WKH RSWLRQ FRQWDLQHG LQ WKLV &RQGLWLRQ I W
WKDQGD\V EHIRUH WKH UHOHYDQW 2SWLRQDO 5HGHPSWLRQ 'D
VSHFLILHG LQ WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW GHSRVL
DOO XQPDWXUHG &RXSRQV UHODWLQJ 2SWLRQDO 5HGHPSWLRQ
IURP DQ\ 3D\LQJ $JHQW 7KH 3D\LQJ $JHQW ZLWK ZKLFK D 1RV
FRPSOHWHG 3XW 2SWLRQ 5HFHLSW WR WKH GHSRVLWLQJ 1RW
FRPSOHWHG 3XW 2SWLRQ 5HFHLSW ZLWK WKLV &RQGLWLRQ I
KRZHYHU WKDW LI SULRU WR WKH UHOHYDQW 2SWLRQDO 5H

LPPHGLDWHO\ GXH DQG SD\DEOH RU XSRQ GXH SUHVHQWDWLR
5HGHPSWLRQ 'DWH 3XW SD\PHQW RI WKH UHGHPSWLRQ PRQ
UHOHYDQW 3D\LQJ $JHQW VKDOO [illegible] KDYH EHHQ JLYHQ E\ VXFK 1RWHKROGHU LQ WKH UHOHYDQW 3
6SHFLILHG 2IILFH IRU FROOHFWLRQ E\ WKH GHSRVLWLQJ 1RWHK
5HFHLSWV ORSUVR ORQJ DV DQ\ RXWVWDQGLQJ 1RWH LV KHOG E\ D 3D\
I WKH GHSRVLWRU RI VXFK 1RWH DQG QRW VXFK 3D\LQJ $JH
1RWH IRU DOO SXUSRVHV

(g) 7KH ,VVXHU VKDOO QRW EH HQWLWOHG WR UHGHHP
WR PDNH DQ\ SD\PHQW RI SULQFLSDO LQ UHVSHFW RI WKH 1RW
WR I DERYH

(h) 8QOHVV RWKHUZLVH VSHFLILHG LQ
6XSSOHPHQW WKH 5HGHPSWLRQ $PRXQW SD\DEOH RQ UHGHPSW
WKH 0DWXULW\ 'DWH VKDOO EH DQ DPRXQW HTXDO WR WKH VXP

(i) WKH 5HIHUHQFH 3ULFH DQG

(ii) WKH SURGXFW RI WKH $FFUXDO <LHOG FRPSRXQGHG DQQX
IURP DQG LQFOXGLQJ WKH ,VVXH 'DWH WR EXW H[FOXGLQ
FDVH PD\ EH WKH GDWH XSRQ ZKLFK WKH 1RWH EHFRPHV G

:KHUH VXFK FDOFXODWLRQ LV WR EH PDGH IRU D SHULRG ZKLFK
LQ UHVSHFW RI WKH SHULRG RI OHVV WKDQ D IXOO \HDU VKDOO
PD\ EH VSHFLILHG LQ WKH 3UHFLSXUVRUV WR &RQGLWLR
VSHFLILHG D 'D\ &RXQW)UDFWLRQ RI (

(i) 7KH ,VVXHU RU DQ\ RI LWV 6XEVLGLDULHV PD\ DW DQ\ WLPH
RWKHUZLVH DQG DW DQ\ SULFH SURYLGHG WKDW DOO XQPDWX

(j) $OO 1RWHV VR UHGHHPHG RU SXUFKDVHG E\ WKH ,VV
XQPDWXUHG &RXSRQV DWWDFKHG WR RU VXUUHQGHUHG ZLWK W
UHVROG

10

7KLV &RQGLWLR LV RQO\ DSSOLFDEOH WR %HDUHU 1RWHV

(a) 3D\PHQWV RI SULQFLSDO VKDOO EH PDGH RQO\ DJDLQVW
PDGH LQ IXOO VXUUHQGHU RI %HDUHU 1RWHV DW WKH 6SHFLIL
6WDWHV L LQ WKH FDVH RI D FXUUHQF\ RWKHU WKDQ GROODUV
FXUUHQF p X € 0RRRHQ D0PDO

LQWHUHVWV LQ WKH UHOHYDQW %HDUHU 1RWH DUH FUHGLWHG &08 5XOHV DV GHILQHG LQ WKH $JHQF\ $JUHHPHQW DW WKH UH DFFRUGDQFH WKHUHRI VKDOOHG,LVWFXHDUJLQ WKH MSRHFWLRQWLRQV R

(c) 3D\PHQWV RI SULQFLSDO RU LQWHUHVW PD\ EH D 3D\LQJ $JHQW LQ 1HZ <RUN &LW\ LI L WKH ,VVXHU KDV DSSR ZLWK WKH UHDVRQDEOH H[SHFWDWLRQ WKDW WHQXFKRB3DWKHJ$OQ RI WKH LQWHUHVW RQ WKH 1RWHV LQ WKH FXUUHQF\ LQ ZKLFK IXOO DPRXQW RI VXFK LQWHUHVW DW WKH RIILFHVXRGHDOE\VXFK H[FKDQJH FRQWURO RU RWKHU VLPLODU UHVWULFWLRQV DQG ODZ

(d) $OO SD\PHQWV LQ UHVSHFW RI WKH %HDUHU L DQ\ DSSOLFDEOH ILVFDO RU RWKHU ODZV DQG UHJXODWLRQ WKH SURYLVLRQV7RI&RQGLWLRQDQ\ ZLWKKROGLQJ RU GHGXFWL DJUHHPHQW GHVFULEHG LQ 6HFWLRQ E RI WKH 8 6 ,QWHU ³ ´ RU RWKHUZLVH LPSRVHG SXUVXDQW WR 6HFWLRQV WK DJUHHPHQWV WKHUHXQGHU DQ\ RIILFLDO LQWHUSUHWDWLRQV &RQGLWLRQ[DO WLRQ\ ODZ LPSOHPHQWLQJ DQ LQWHUJRYHUQPHQWD

(e) 1R FRPPLVVLRQ RU H[SHQVHV VKDOO EH FKD &RXSRQKROGHUV LQ UHVSHFW RI VXFK SD\PHQWV

(f) ,I WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW 1RWH 3URYLVLRQV DUH DSSOLFDEOH DQG D %HDUHU 1RWH LV S WKHUHWR

(i) LI WKH DJJUHJDWH DPRXQW RI WKH PLVVLQJ &RXSRQV LV O GXH IRU SD\PHQW D VXP HTXDO WR WKH DJJUHJDWH DPRXQ IURP WKH DPRXQW RI SULQFLSDO GXHDWRLISWKHQWRVURP DYDLODEOH IRU SD\PHQW LV OHVV WKDQ WKH DPRXQW RI SU EH WKDW SURSRUWLRQ RI WKH DJJUHJDWH DPRXQW RI VXF DFWXDOO\ DYDLODEOH PRXQWDWRHQWLEHLSDWOXWKHR SD\PH

(ii) LI WKH DJJUHJDWH DPRXQW RI WKH PLVVLQJ &RXSRQV LV J SD\PHQW

(A) VR PDQ\ RI VXFK PLVVLQJ &RXSRQV VKDOO EHFRPH YRLG UHVXOW LQ WKH DJJUHJDWH DPRXQW RI WKH UHPDLQGH ´ EHLQJ HTXDO WR WKH DPRXQW RI SULQFLSDO GX WKDW ZKHSHUWKLVSXEZRXOG RWKHUZLVH UHTXLUH D IU EHFRPH YRLG VXFK PLVVLQJ &RXSRQ VKDOO EHFRPH YR

(B) D VXP HTXDO WR WKH DJJUHJDWH DPRXQW RI WKH 5HOH SULQFLSDO GXH IRU SD\PHQW ZLOO EH GHGXFWHG IURP SURYLGHG KRZHYHU WKDW LI WKH JURVVWKHRXQW RI SULQFLSDO GXH IRU SD\PHQW WKH VXP GHGXFWHG DPRXQW RI WKH 5HOHYDQW &RXSRQV RU DV WKH FDVH SD\PHQW ZKLFK WKH JURVV DPRXQW VDFWRXWKHDPRXQW SULQFLSDO GXH IRU SD\PHQW

(DFK VXP RI SULQFLSDO VR GHGXFWHG VKDOO EH SDLG LQ
DJDLQVW SUHVHQWDWLRQ DQG SURYLGHG WKDW SD\PHQW L
&RXSRQV

(g) ,I WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW VSHF
DSSOLFDEOH RU WKDW WKH)ORDWLQJ 5DWH 1RWH 3URYLVLRQV
RI DQ\ 1RWH RU HDUO\ UHGHPSWLRQ LQ ZKROH RU LQ
UHDVRQV GLVFUHWLRQ IRU &KDQJH LQ &RQWUROOLQJ 3UR
RI 1RWHKROGHUV DQG WKH RSWLRQ DW WKH RI
'HIDXOWHG &RXSRQV UHODWLQJ WKHUHWR ZKHWKH
QR SD\PHQW ZLOO EH PDGH LQ UHVSHFW WKHUHRI

(h) ,I WKH GXH GDWH IRU SD\PHQW RI DQ\ DPRXQW
RU &RXSRQ LV QRW D 3D\PHQW %XVLQHVV 'D\ LQ WKH SODFH RI
WR SD\PHQW LQ VXFK SODFH RI WKH DPRXQW
SODFH DQG VKDOO QRW EH HQWLWOHG WR DQ\ IXUWKHU LQWHU

(i) 3D\PHQWV RI LQWHUHVW RWKHU
PDWXUHG &RXSRQV VKDOO EH PDGH RQO\ DJDLQVW SUHVHQWDW
2IILFH RI DQ\ 3D\LQJ $JHQW RXWVLGH WKH 8QLWHG 6WDWHV RU
DR YH

(j) ,I D 3D\LQJ $JHQW PDNHV D SDUWLDO SD\PHQW LQ U
SUHVHQWHG WR LW IRU SD\PHQW VXFK 3D\LQJ $JHQW ZLOO HQ
DQG GDWH RI VXFK SD\PHQW

(k) 2Q RU DIWHU WKH PDWXULW\ GDWH RI WKH ILQDO
LVVXH SDUW RI D &RXSRQ 6KHHW UHODWLQJ WR WKH %HDUHU 1
PD\ EH H[FKDQJHG DW WKH 6SHFLILHG 2IILFH RI WKH 3ULQFLSD
LQFOXGLQJ LI DSSURSULDWH
DOUHDG\ EHFRPH YRLG SXUVXDQW
%HDUHU 1RWH DQ\ XQH[FKDQJHG 7DORQ UHODWLQJ WR VXFK 1
GHOLYHUHG VHFW RI VXFK 7DORQ

11

7KLV &RQGLWLRQ LV RQO\ DSSOLFDEOH WR 5HJLVWHUHG 1RWHV

(a) 3D\PHQWV RI SULQFLSDO VKDOO EH PDGH

(i) LQ WKH FDVH RI D FXUUHQF\ RWKHU WKDQ 5HQPLQEL E\ W
FXUUHQF\ LQ ZKLFK SD\PHQW LV GXH RU LI WKDW FXUUHQ
PD\ EH FUHGLWHG RU WUDQVIHUUHG
)LQDQFLDO &HQWUH RI WKDW FXUUHQF\ DQG

(ii) LQ WKH FDVH RI 5HQPLQEL E\ WUDQVIHU WR DQ DFFRXQW
WKH SD\HH ZLWK D EDQN LQ +RQJ .RQJ

DQG LQ WKH FDVH RI UHGHPSWLRQ XSRQ VXUUHQGHU RU LQ
WKH UHOHYDQW 1RWH &HUWLILFDWHV DW WKH 6SHFLILHG 2IILFH

(b) 3D\PHQWV RI LQWHUHVW VKDOO EH PDGH

(i) LQ WKH FDVH RI D FXUUHQF\ RWKHU WKDQ 5HQPLQEL E\ W
FXUUHQF\ LQ ZKLFK SD\PHQW LV GXH RU LI WKDW FXUUHQ
PD\ EH FUHGLWHG RU WUDQVIHUUHG EDQNPDQQWKHLQ3HUGLEF
)LQDQFLDO &HQWUH RI WKDW FXUUHQF\ DQG

(ii) LQ WKH FDVH RI 5HQPLQEL E\ WUDQVIHU WR DQ DFFRXQW G
WKH SD\HH ZLWK D EDQN LQ +RQJ .RQJ

DQG LQ WKH FDVH RI LQWHUHVW SD\DEOH RQ UHGHPSWLRQ XS
HQGRUVHPHQW RI WKH UHOHYDQW 1RWH &HUWLILFDWHV DW WK

3D\PHQWV RI SULQFLSDO DQG LQWHUHVW LQ UHVSHFW RI 5HJLV
SHUVRQ V IRU ZKRVH DFFRXQW V LQWHUHVW LQ WKH UHOHYDQ
WKH &08 LQ DFFRUGDQFH ZLWK WKH &08 5XOHV DW WKH UH

(c) $OO SD\PHQWV LQ UHVSHFW RI WKH 5HJLVWH
WR L DQ\ DSSOLFDEOH ILVFDO RU RWKHU ODZV DQG UHJXODW
WR WKH SURYLVLRQ RI [DWD RQ GLVLRQ\ ZLWKKROGLQJ RU GHGXFW
DQ DJUHHPHQW GHVFULEHG LQ 6HFWLRQ E RI WKH &U 6 ,QW
RWKHUZLVH LPSRVHG SXUVXDQW WR 6HFWLRQV WKURXJK
WKHUHXQGHU DQ\ RIILFLDO LQWHUSUHWDWLRQV WKHUHRI RU
7D[DWLRQ\ ODZ LPSOHPHQWLQJ DQ LQWHUJRYHUQPHQWDO DSSU
VKDOO EH FKDUJHG WR WKH 1RWHKROGHUV LQ UHVSHFW RI VXF

(d) :KHUH SD\PHQW LV WR EH PDGH E\ WUDQVIH
LQVWUXFWLRQV IRU YDOXH WKH GXH GDWH RU LI WKH GXH GD
VXFFHHGLQJ 3D\PHQW %XVLQHVV 'D\ ZLOO EH SUHFHGLQJ LQ
SD\DEOH RQ UHGHPSWLRQ RQ WKH ODWHU RI WKH GXH GDWH IR
&HUWLILFDWH LV VXUUHQGHUHG RU LQ WKH FDVH RI SDUW SD
3D\LQJ $JHQW DQG LL LQ WKH FDVH RI SD\PHQWV RI LQWHUH
GDWH IRU SD\PHQW $ +ROGHU RI D 5HJLVWHUHG 1RWH VKDOO Q
UHVSHFW RI DQ\ GHOD\ LQ SD\PHQW WR VXFK +ROGHU RI DQ\ SD\PHQW QRW EH
'D\

(e) ,I D 3D\LQJ $JHQW PDNHV D SDUWLDO SD\PHQW LQ U
,VVXHU VKDOO SURFXUH WKDW WKH DPRXQW DQG GDWH RI VXFK
RI SDUWLDO SD\PHQW XSRQ SUHVHQWDWLRQ RI LQ GRUVHPHQW &HUWLI
WKH GDWH RI VXFK SD\PHQW LV HQGRUVHG RQ WKH UHOHYDQW

(f) (DFK SD\PHQW LQ UHVSHFW RI D 5HJLVWHUHG 1RWH ZL
+ROGHU LQ WKH 5HJLVWHU DW WKH FORVH RI EXVLQHVV LQ WK
RQ WKH ILIWHHQWK GD\ EHIRUH WKH GXH GDWH IRU VXFK SD\PH

6R ORQJ DV WKH 1RWH &HUWLILFDWH LV KHOG RQ EHKDOI RI (X
RWKHU WKDQ WKH &08 HDFK SD\PHQW LQ UHVSHFW RI WKH 1R
DV WKH KROGHU LQ WKH 6HWWOHPHQW RI DWK HWKH HOHYDQHWRFEHXDULQJ
6\VWHP %XVLQHVV 'D\ EHIRUH WKH GXH GDWH IRU VXFK SD\PHQW
PHDQV D ZHHNGD\ 0RQGD\ WR)ULGD\ EHLQFOXVLYH H[FHSW

6R ORQJ DV WKH 1RWH &HUWLILFDWH LV KHOG WKURXJK WKH &
DQ\ RWKHU DPRXQWV VKDOO EH PDGH WR WKH SHUVRQ V IRU Z
DUH FUHGLWHG DV VHW &RXW LQ WKH FRQGLWLRQV RI WKH

GXH DQG SD\DEOH DW WKHLU (DUO\ 7HUPLQDWLRQ $PRXQW WRJHWK
RU IRUPDOLW\

(a) WKH ,VVXHU IDLOV WR SD\ DQ\ DPRXQW RI SULQFLSDO
SD\PHQW WKHUHRI DQG VXFK GHIDXOW FRQWLQXHV IRU D SHUL
LQ UHVSHFW RI WKH 1RWHV RQ WKH GXH GDWH DQG WKH GHIDXOW SHULRG
GD\V RU

(b) WKH ,VVXHU GHIDXOWV LQ WKH SHUIRUPDQFH
REOLJDWLRQV XQGHU RU LQ UHVSHFW RI WKH 1RWHV RWKHU W
LQWHUHVW LQ UHVSHFW RI WKH 1RWHV WKH 7UXVWHH GHIDXOW
RU LL EHLQJ D GHIDXOW ZKLFK LV LQ WKH RSLQLRQ RI WKH 7U
GD\V DIWHU WKH 7UXVWHH KDV JLYHQ ZULWWHQ QRWLFH
UHPHGLHG RU

(c)

(i) DQ\ ,QGHEWHGQHVV IRU %RUURZHG 0RQH\ RI WKH ,VVXHU
SDLG ZKHQ GXH RU DV WKH FDVH PD\ EH ZLWKLQ DQ\ RULJ

(ii) DQ\ VXFK ,QGHEWHGQHVV IRU %RUURZHG 0RQH\ RI WKH ,VV
DQG SD\DEOH SULRU WR LWV VWDWHG PDWXULW\ RWKHUZLV
WKH UHOHYDQW 3ULQFLSDO 6XEVLGLDU\ RU
JUDFH SHULRG RU \ DW WKH RSWLRQ RI WKH ,VVXHU RU
6XEVLGLDU\ RU SURYLGHG WKDW QR HYHQW RI GHIDXOW K
HQWLWOHG WR VXFK %RQGKROGHUV WKHQ RXWVW
(iii) WKH ,VVXHU RU DQ\ RI LWV 3ULQFLSDO 6XEVLGLDULHV IDLO
XQGHU DQ\ JXDUDQWHH RI DQ\ ,QGHEWHGQHVV IRU %RUUR
DSSOLFDEOH JUDFH SHULRG

SURYLGHG WKDW QR VXFK HYHQW VKDOO FRQVWLWXWH DQ (YH
%RUURZHG 0RQH\ UHSUHVHQWV WKH OLQHDO REOLJDWLRQV
SD\DEOH XQGHU DQ\ JXDUDQWHH RI DQ\ 6XEVLGLDU\ RU
H[FHHGV 8 6 RU LWV HTXLYDOHQW LQ DQ\ RWKHU FXU

(d) RQH RU PRUH ILQDO MXGJPHQW V RI D FRXUW
SD\PHQW RI HV R I D !D•˜` 0D\ ZKHQ GPp0HVS† RQW H[ó™o0 DJ@HHJD\

REOLJDWLRQV VDYH IRU DQ\ VXFK UHDGMXVWPHQW RU GHIHU
6XEVLGLDU\ DV DSSOLFDEOH LV VROYHQW RU PDNHV D JHQHU
ZLWK RU IRU WKH EHQHILW RI GLUHFWRUV RU RIILFHUV RI WKH
PRUDWRULXP LQ UHVSHFW RI DQ\ RI LWV ,QGHEWHGQHVV IRU
,QGHEWHGQHVV IRU %RUURZHG 0RQH\ JLYHQ E\ LW RU LY WK
FHDVHV RU WR FHDVH WR QR FDUU\ RQ DOO RU DQ\ VXEVWDQWLDO
3ULQFLSDO 6XEVLGLDU\ IRU WKH SXUSRVHV RI D UHFRQVWUX
DPDOJDPDWLRQ RU RWKHU DQDORJRXV SURFHHGLQJ DQG XQGHUWDNLQJ DUH WUDQVIHUUHG WR [WKH ,VVXHU RU
DUP¶V OHQJWK EDVLV SURYLGHG WKDW SURFHHGV RRW VXFK WU
DQRWKHU 6XEVLGLDU\ RU

(g) DQ RUGHU LV PDGH E\ D FRXUW RI FRPSHWHQW MXU
SDVVHG IRU WKH ZLQGLQJ XS OLTXLGDWLRQ RU GLVVROXWLRQ
H[FHSW LQ WKH FDVH RI D 3ULQFLSDO 6XEVLGLDU\ WUDQVIHUUHG WR
WUDQVIHU PHUJHU RU DPDOJDPDWLRQ RU RWKHU DQDORJRXV
RI LWV SURSHUW\ DVVHWV DQG XQGHUWDNLQJ DUH WUDQVIHUUHG
DQ\ WKLUG SDUW\ RQ DQ DUP¶V OHQJWK EDVLV SURYLGHG WK
YHVWHG LQ WKH ,VVXHU RU DQRWKHU 6XEVLGLDU\ RU

(h) DQ\ HYHQW RFFXUV ZKLFK XQGHU WKH ODZV RI +RQJ
RI WKH HYHQWV UHIHUUHG WR LQ SDUDJUDSKV G WR J DERY

(i) DQ\ DFWLRQ FRQGLWLRQ RU WKLQJ DW DQ\ WL
GRQH LQ RUGHU L WR HQDEOH WKH ,VVXHU ODZIXOO\ WR HQW
ZLWK LWV REOLJDWLRQV XQGHU DQG LQ UHVSHFW RI WKH 1RWH
REOLJDWLRQV DUH OHJDO YDOLG ELQGLQJ DQG HQIRUFHDEOH
7UXVW 'HHG DGPLVVLEOH LQ HYLGHQFH LQ WKH FRXUWV RI +RQ

(j) LW LV RU ZLOO EHFRPH XQODZIXO IRU WKH ,VVXHU
REOLJDWLRQV XQGHU RU LQ UHVSHFW RI WKH 1RWHV RU WKH 7U

(k) DQ\ VWHS LV WDNHQ E\ DQG PLQGLVFULDWLRQ RI
DXWKRULW\ ZLWK D YLHZ WR WKH VHL]XUH FRPSXOVRU\ DFTXL
VXEVWDQWLDO SDUW RI WKH DVVHWV RI WKH *URXS

14

&ODLPV IRU SULQFLSDO LQ EHHVSHFW RI %RQGV 1RWHV RU WKH
IRU SD\PHQW ZLWKLQ WHQ \HDUV RI WKH DSSURSULDWH 5HOHYDQW
VKDOO EHFRPH YRLG XQOHVV WKH UHOHYDQW &ODLPDQW SURGXFHV
5HOHYDQW 'DWH &ODLPV IRU SULQFLSDO DQG LQWHUHVW RQ UHG
YRLG XQOHVV WKH UHOHYDQW 1RWH &HUWLILFDWHV DUH VXUUHQGH
DQG ILVW \HDU WKH FDVH RI LQWHUHVW RI WKH DSSURSULDWH 5HOH

15

,I DQ\ 1RWH 1RWH &HUWLILFDWH RU &RXSRQ LV ORVW VWROHQ P
WKH 6SHFLILHG 2IILFH RI WKH 3ULQFLSDO 3D\LQJ $JHQW LQ WKH F
FDVH RI 5HJLVWHUHG :LWKRXW 1RWH &HUWLILFDWHV WKHQ GHPDQG
FRPSHWHQW DXWKRULW\ VWRFN H[FKDQJH DQG RU TXRWDWLRQ V\V

RU 7UDQVIHU $JHQW LQ DQ\ SDUWLFXODU SODFH WKH 3D\LQJ $JHQ
SODFH UHTXLUHG E\ VXFK FRPSHWHQW DXWKRULW\ VWRFN H[FKDQ
ODZV DQG FRPSHWHQW [illegible] TXRWDWLRQ V\VWHP UHTX
FODLPDQW RI WKH H[SHQVHV LQFXUUHG LQ FRQQHFWLRQ ZLWK VX
VHFXULW\ LQGHPQLW\ DQG RWKHUZLVH DV [illegible] &HUWLILFDWHV RU &RXSRQV PXVW EH VXUUHQGHUHG EHIRUH UHSO

16

8QGHU WKH 7UXVW 'HHG WKH 7UXVWHH LV HQWLWOHG WR [illegible] VDWLVIDFWLRQ DQG UHOLHYHG IURP UHVSRQVLELOLW\ LQ FHUWDLQ LQ SULRULW\ WR WKRVH GHDOLQJV, QR GXW\ WR GLVFORVH WKH 7UXVWHH LV HQWL ZLWK WKH ,VVXHU DQG DQ\ HQWLW\ UHODWLQJ WR WKH ,VVXHU ZLW

,Q WKH H[HUFLVH RI LWV SRZHUV DQG GLVFUHWLRQV XQGHU WKHV UHJDUG WR WKH LQWHUHVWV RI WKH 1RWHKROGHUV DV D FODVV LQGLYLGXDO +ROGHUV RI [illegible] RU WD[LQJ MXULVGLFWLRQ

,Q DFWLQJ XQGHU WKH $JHQF\ $JUHHPHQW DQG LQ FRQQHFWLRQ ZL DV DJHQWV RI WKH ,VVXHU DQG WR WKH H[WHQW SURYLGHG WKH WRZDUGV RU UHODWLQJ [illegible] 1RWHKROGHUV RU

7KH LQLWLDO $JHQWV DQG WKHLU LQLWLDO 6SHFLILHG 2IILFHV DU VSHFLILHG LQ WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW 7KH ,VVXHU 7UXVWHH DW DQ\ WLPH DW LWV RSWLRQ E\ JLYLQJ [illegible] SD\LQJ DJHQW UHJLVWUDU &08 ORGJLQJ DQG SD\LQJ DJHQW &08 VXFFHVVRU SD\LQJ DJHQWV SURYLGHG KRZHYHU WKDW

(i) WKH ,VVXHU VKDOO DW DOO WLPHV PDLQWDLQ D SULQFLSDO SD

(ii) WKH ,VVXHU VKDOO DW DOO WLPHV PDLQWDLQ D &08 ORGJLQJ D FOHDUDQFH WKURXJK WKH &08 DQG LI VXFK 1RWHV DUH 5HJLVV

(iii) LI D &DOFXODWLRQ $JHQW LV VSHFLILHG LQ WKH UHOHYDQW 3 PDLQWDLQ D &DOFXODWLRQ $JHQW DQG

(iv) LI DQG IRU VR ORQJ DV WKH 1RWHV DUH DGPLWWHG WR OLVW DXWKRULW\ VWRFN H[FKDQJH DQG RU TXRWDWLRQ V\VWHP ZKL DQG RU D 7UDQVIHU $JHQW LQ [illegible] $JHQW KDYLQJ LWV 6SHFLILHG 2IILFH LQ WKH SODFH UHTXLUH DQG RU TXRWDWLRQ V\VWHP

1RWLFH RI DQ\ FKDQJH LQ DQ\ RI WKH $JHQWV RU LQ WKHLU 6SHFLI WKH 1RWHKROGHUV

17

(a) 7KH 7UXVW 'HHG FRQWDLQV SURYLVLRQV IRU FR WR FRQVLGHU PDWWHUV UHODWLQJ WR WKH 1RWHV LQFOXGLQ $Q\ VXFK PRGLILFDWLRQ PD\ EH PDGH LI [illegible] EH FRQYHQHG E\ WKH ,VVXHU RU E\ WKH 7UXVWHH DQG VKDOO ZULWLQJ RI 1RWHKROGHUV [illegible]

RXWVWDQGLQJ 1RWHV 7KH TXRUXP DW DQ\ PHHWLQJ FRQYHQHG
WZR RU PRUH 3HUVRQV KROGLQJ RU UHSUHVHQWLQJ RQH PRUH
WKH RXWVWDQGLQJ 1RWHV RU [illegible]
1RWHKROGHUV ZKDWHYHU WKH SULQFLSDO DPRXQW RI WKH 1R

ILQDQFLDO LQVWLWXWLRQ RU DQ\ RWKHU H[SHUW ZKHWKHU R
UHODWLRQ WKHUHWR LV OLPLWHG E\ LWV WHUPV RU E\ DQ\ H
PDQQHU E\ UHIHUHQFH WRRDJ\PRRQHRWWDKUHUZDSH PHKRGRVWHH PL
EH HQWLWOHG WR UHO\ ZLWKRXW IXUWKHU LQYHVWLJDWLRQ R
RU FHUWLILFDWH RU DGYLFH DQG VXFK UHSRUW FRQWKHUPDWLF
,VVXHU DQG WKH 1RWHKROGHUV

18

7KH 7UXVWHH PD\ DW DQ\ WLPH DW LWV GSLVFHWHGLRQJDQGV ZLWKRX
HQIRUFH LWV ULJKWV XQGHU WKH 7UXVW 'HHG LQ UHVSHFW RI WKH

(i) LW KDV EHHQ VR UHTXHVWHG LQ ZULWLQJ E\ WKH +ROGHUV RI
DPRXQW RI WKH RXWVWDQGLQJ 1RWHV RU KDV EHHQ VR GLUHFW

(ii) LW KDV EHHQ LQGHPQLILHG DQG RUXSURGLVRGLVWRGLVFKDWHFXDEWL

1R 1RWHKROGHU VKDOO EH HQWLWOHG WR D WDNH DQ\ VWHSV RU
DQ\ RI WKH SURYLVLRQV RI WKH 7UXVW 'HHG RU WKH 1RWHV RU E
DSSHDO LQ DQ\ SUHFHHGLQJV FRQGXFWHGLQJ WKH ,VVXHU LQ HDFK FDV
ERXQG WR GR VR IDLOV WR GR VR ZLWKLQ D UHDVRQDEOH WLPH D

19

7KH ,VVXHU PD\ IURP WLPH WR WLPH ZLWKRXW WKH FRQVHQW RI
'HHG FUHDWH DQG LVVXH IXUWKHU QRWHV KDYLQJ WKH VDPH WHU
UHVSHFWV H[FHSW WRRIWLQHWHUHVWSDVWRPHDQ WR IRUP D VLQJOH VHU
IURP WLPH WR WLPH FUHDWH DQG LVVXH RWKHU VHULHV RI QRWHV

20

(a) 1RWLFHV WR WKH +ROGHUV RI %HDUHU 1RWHV VKDOO
ODQJXDJH GDLO\ QHZVSDSHU SXEOLVKHG LQ +RQJ .RQJ RU LI V
(QJOLVK ODQJXDJH GDLO\ QHZVSDSHUV SXEOLVKHG LQ +RQJ .RQJ
:DOO 6WUHHW -RXUQDO $Q\ VXFK QRWLFH VKDOO EH GHHPHG W
RU LI UHTXLUHG WR EH SXEOLVKHG LQ PRUH WKDQ RQH VXFK
KDYH EHHQ PDGH LQ DOO WKH UHTXLUHG QHZVSDSHUV &RXSRQ
QRWLFH RI WKH FRQWHQWV RI DQ\ QRWLFH JLYHQ WR WKH +RO

(b) 1RWLFHV WR WKH +ROGHUV RI 5HJLVWHUHG 1RWHV
RU LWV HTXLYDOHQW RU LI SRVWHG WR DQ RYHUVHDV DGGU
5HJLVWHU RU LI VXFK SXEOLFDWLRQ LV QRW SUDFWLFDEOH QHL
JHQHUDO FLUFXODWLRQ LQ $VLD ZKLFK LV H[SHFWHG WR EH WK
EH GHHPHG WR KDYH EHHQ JLYHQ RQ WKH IRXUWK GD\ DIWHU W

6R ORQJ DV WKH 1RWHV DUH UHSUHVHQWHG E\ D *OREDO 1RWH
DQG VXFK *OREDO 1RWH RU 1RWH &HUWLILFDWH LV KHOG RQ EH
FOHDULQJ V\VWHP H[FHSW DV SURYLGHG LQ LL EHORZ QRWL
JLYHQ E\ GHSRVLWRUHV RU DQW QRWLFH WR WKDW FOHDULQJ V\VW
DFFRXQWKROGHUV LQ VXEVWLWXWLRQ IRU SXEOLFDWLRQ RQ WKH UH
WKH KROGHUV RI 1RWHV RI WKDW 6HULHV PD\ EH JLYHQ E\ GHO
LQ D &08 ,VVXH 3RVLWLRQ 5HSRUW LVVXHG E\ WKH +RQJ .RQJ

SUHFHGLQJ WKH GDWH RI GHVSDWFK RI VXFK QRWLFH $Q\ VXFK
KROGHUV RI WKH 1RWHV RQ WKH VHFRQG GD\ DIWHU WKH GD\
&OHDUVWUHDP WKH &08 DQG RU\ WKH PDWHULDO WHUPV DQG

21

)RU WKH SXUSRVHV RI DQ\ FDOFXODWLRQV UHIHUUHG WR LQ WKH
&RQGLWLRQV RU WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW D DOO
URXQGHG LI QHFHVVDU\ WR WKH QHDUHVW RQH KXQGUHGWK RI
EHLQJ URXQGHG XS WR SHU FHQW E DOO 8QLWHG 6WDWH
FDOFXODWLRQV ZLOO EH URXQGHG WR WKH QHDUHVW WHQWK
DPRXQWV XVHG LQ RU UHVXOWLQJ IURP VXFK FDOFXODWLRQV ZLO
-DSDQHVH <HQ DPRXQW DQG G DOO DPRXQWV GHQRPLQDWHG LQ
FDOFXODWLRQV ZLOO EH URXQGHG WR WKH QHDUHVW WZR GHFLPDO SODFHV LQ
XSZDUGV

22

(a) 7KH 1RWHV DQG WKH 7UXVWHH'HHG DQG RI DOO OLDELOLWLHV DQG
FRQQHFWLRQ ZLWK WKH 1RWHV DQG WKH 7UXVW 'HHG DUH JRYH

(b) 7KH ,VVXHU KDV L DJUHHG WKDW WKH FRXUWV RI +RQ
VHWWOH DQ\ GLVSXWH ZKLFK PD\ DULVH RXW RI RU LQ FRQQHFWLRQ ZLWK W
FRXUWV DUH WKH PRVW DSSURSULDWH DQG FRQYHQLHQW FRXU
QRW DUJXH WKDW DQ\ RWKHU FRXUWV VKRXOG EH SUHIHUUHG
DQ\ MXGJPHQW DQG LY WR WKH H[WHQW WKDW LW VHDVLQPDQ
IURP VXLW H[HFXWLRQ DWWDFKPHQW ZKHWKHU LQ DLG RI H[
OHJDO SURFHVV DQG WR WKH H[WHQW WKDW LQ DQ\ VXFK MXU
RU UHYHQXHVWXZKLFK RU QRW FODLPHG DJUHHG QRW WR
LPPXQLW\ WR WKH IXOO H[WHQW SHUPLWWHG E\ WKH ODZV RI
QRWKLQJ FRQWDLQHG LQ WKH 7UXVW 'HHGSURFHHGLQJV
SURFHHGLQJV UHODWLQJ WR DQ\SXWH FRXUWV ZLWK MXUL
H[WHQW DOORZHG E\ ODZ WKH 7UXVWHH RU DQ\ RI WKH 1RWH
QXPEHU RI MXULVGLFWLRQV

7KH 3ULFLQJ 6XSSOHPHQW LQ UHVSHFW RI HDFK 7UDQFKH RI WKH 1
VXSSOHPHQWHG LI QHFHVVDU\ DPHQGHG LI QHFHVVDU\ DQG FRP
1RWHV DQG WKHLU LVVXH

([FHSW DV RWKHUZLVH VWDWHG LQ WKH 3ULFLQJ 6XSSOHPHQW SUH
GLVFORVXUH 7DEOH [D LQ WKH 2IIHULQJ &LUFXODU DQ\ 1RWHV LV
UHJDUGHG DV D IRUP RI ORDQ FDSLWDO RU GHEHQWXUH XQGHU DSS

DSSURSULDWH WDUJHW PDUNHW OHJ

2SWLRQ /HJHQG IRU LVVXDQFHV LQYROYLQJ RQH RU PRUH 0L)
> ±6ROHO\ IRU WKH
SXUSRVHV RI >WKH ¶M DSFUKR@GXPHQW XDIDSFWRXUHO SURFHVV WKH WDUJHW P
1RWHV KDV OHG WR WKH FRQFOXVLRQ WKDW L WKH WDUJHW P
SURIHVVLRQDO FOLHQWV RQO\ HDFK DV GHILQHG LQ >0L)LG ´L@ >>0'L)LG ´L@
DQG LL DOO FKDQQHOV IRU GLVWULEXWLRQ RI WKH 1RWHV WR
DSSURSULDWH $Q\ SHUVRQ VXEVHTXHQWO\ RIIHULQJ RU SHUVRQ RQ
WDNH LQWR FRQVLGHUDWLRQ WKDW WKH PDQXIDFWXUHU VHHNV WR
0L),' ,, LV UHVSRQVLEOH IRU XQGHUWDNLQJ LWV RZQ WDUJHW PDU
DGRSWLQJ RU UHILQLQJ¶@WKH DUPJHQV IDFWXUHUWUDVVHVVPHQW DQG
GLVWULEXWLRQ FKDQQHOV

2SWLRQ /HJHQG IRU LVVXDQFHV ZKHUH WKHUH LV D VROH PDQ
QR V\QGLFDWH DQG DVVXPLQJ WKDW QRQH RI WKH ,VVXHU WK
UHJXODWHG HQWLW\

> ±6ROHO\ IRU WKH
SXUSRVHV RI WKH SURGXFW GHYHORSPHQW SURFHVV WKH WDUJHW PDU
KDV OHG WR WKH FRQFOXVLRQ WKDW L WKH WDUJHW PDUNHW IR
FOLHQWV RQO\ HDFK DV GHILQHG LQ >0L)LG ´L@ >>0'L)LG ´L@ (8 QDV LDLP
FKDQQHOV IRU GLVWULEXWLRQ RI WKH 1RWHV WR DOLJLEOH SURIHVVLRQDO
SHUVRQ VXEVHTXHQWO\ RIIHULQJ VHOOLQJ RU EX\LQJ RU PDNLQJ
FRQVLGHUDWLRQ ¶W WKH PDQXIDFWXUHU D VHVVPHQW KRZHYHU D G
UHVSRQVLEOH IRU XQGHUWDNLQJ LWV RZQ WDUJHW PDUNHW DVVH
UHILQLQJ WKH ¶V PDQXIDFWXUHU DVVHVVPHQW DQG GHW@HUPLQLQJ

DSSURSULDWH WDUJHW PDUNHW OH

2SWLRQ /HJHQG IRU LVVXDQFHV LQYROYLQJ RQH RU PRUH 8.
> ±6ROHO\ IRU WKH
SXUSRVHV RI >WKH ¶M DSFUKR@GXPHQW XDIDSFWRXUHO SURFHVV WKH WDUJHW P
1RWHV KDV OHG WR WKH FRQFOXVLRQ WKDW L WKH WDUJHW PDU
WKH)&$ +DQGERRN &RQGXFW ³R2%6XVLQHVVUHRXVFLHQW FOLHQW
5HJXODWLRQ (8 1R DV LW IRUPV SDUW RQ¶GRPHVWLFDWDZDO
$FW ³8. 0L),5 RQO\ DQG LL DOO FKDQQHOV IRU GLVWULEXWLRQ R
SURIHVVLRQDO FOLHQWV DUH DSSURSULDWH $Q\ SHUVRQ VXEVHTX
³GLVWULEXWRU VXEMHFW WR WKH)&$ +DQGERRN 3URGXF³W. ,QWHUYH
GLVWULEXWRU VXEMHFW WR WKH)&$ +DQGERRN 3URGXF³W. ,QWHUYH
0L),5 3URGXFW *RY1HULQVDUDQFHVSRQVLEOH IRU XQGHUWDNLQJ V WF RZQ V

RI WKH 1RWHV E\ HLWKHU DGRSWLQJ WKH DSSURSULDWH GLVFXVVLRQ DQG WKHQ YRWLQJ RQ WKH SURSRVDO RU DSSURSULDWH GLVFXVVLRQ

2SWLRQ /HJHQG IRU LVVXDQFHV ZKHUH WKHUH LV D VROH PDQ L H QR V\QGLFDWH DQG DVVXPLQJ WKDW QRQH RI WKH ,VVXH 8. 0L),5 UHJXODWHG HQWLW\

> ±6ROHO\ IRU WKH SXUSRVHV RI WKLV SDUDJUDSK WKH WDUJHW PDUNHW YDOXH SURFHVV WKH WDUJHW PDUNHW IRU KDV OHG WR WKH FRQFOXVLRQ WKDW L WKH WDUJHW PDUNHW IRU)&$ +DQGERRN &RQGXFW RI 2SHUDWLRQV 3URFHGXUHV LQFOXGLQJ FOLHQW DV (8 1R DV LW IRUPV SDUW RI GRPHVWLF OHJDO V\VWHP RI ³8. 0L),5 RQO\ DQG LL DOO FKDQQHOV IRU GLVWULEXWLRQ RI SURIHVVLRQDO FOLHQWV DUH DSSURSULDWH \Q\ SHUVRQ VXEVHTX ³GLVWULEXWRU VXEMHFW WR WKH)&$ +DQGERRN 3URGXFW³V.,QWHUYH 0L),5 3URGXFW *RYHUQDQFH SRQVLELOLWLHV IRU JRYHUQDQFH DUUDQJHPHQWV LQ RUGHU WR SURGXFW 1RWHV E\ HLWKHU DGRSWLQJ WKH DSSURSULDWH GLVFXVVLRQ

>352+,%,7,21 2) 6$/(6 72 ((($ 5(7$,/ ,19(67256 DUH QRW LQWHQGHG RU RWKHUZLVH PDGH DYDLODEOH WR DQG VKRXOG QRW EH RIIHUHG LQ WKH (XURSHDQ (FRQRPLF $UHD WR SURIHVVLRQDO LQYHVWRUV D UHWDLO LQYHVWRU RU PRUH RI L D UHWDLO FOLHQW DV GHILQHG LQ SRLQW RI $UWLFOH RI 'LUHFWLYH (8 RQ 0DUNHWV LQ)LQDQFLDO ,QVWUXPHQWV DPHQGLQJ 'LUHFWLYH (8 DQG 5HJXODWLRQ (8 DV GHILQHG LQ 5HJXODWLRQ (8 RU L DQ LQYHVWRU GV GHILQHG LQ 5HJXODWLRQ (8 RI WKH (XURSHDQ 3DUOLDPHQW DQG RI WKH &RXQFLO RI 1RYHPEHU RQ LQIRUPDWLRQ GRFXPHQWV UHTXLUHG E\ 5HJXODWLRQ (8 RU RWKHUZLVH PDNLQJ WKHP DYDLODEOH WR UHWDLO LQYHVWRUV RU WKHUZLVH SURKLELWHG E\ WKH (XURSHDQ 3DUOLDPHQW 5HJXODWLRQ (8 RU LQ WKH (($ PD\ EH XQODZIXO XQGHU WKH 35,,3V 5HJXODWLRQ

>352+,%,7,21 2) 6$/(6 72 8. 5(7$,/ ,19(67256 DUH QRW LQWHQGHG RU RWKHUZLVH PDGH DYDLODEOH WR DQG VKRXOG QRW EH RIIHUHG LQ WKH 8QLW³8.G .LQJGRP RU VHOO SXUSRVHV D UHWDLO LQYHVWRU PHDQV L D UHWDLO FOLHQW DV GHILQHG LQ SRLQW RI $UWLFOH RI 5HJXODWLRQ (8 ZKLFK IRUPV SDUW RI 8.³V GRPHVWLF ODZ E\ YLUWXH RI WKH (XURSHDQ ³(8:$ RQ LL LW GRHV QRW TXDOLI\ DV D FOLHQW XQGHU WKH SURYLVLRQV RI WKH)LQDQFLDO ³)6 6HUYLFHV DQG 0DUNHWV $FW DQG UHOHYDQW UHJXODWLRQV PDGH XQGHU WKH)60$ WR LPSOHPHQW 'LUHFWLYH (8 ZKH SURIHVVLRQDO FOLHQW DV GHILQHG LQ SRLQW RI $UWLFOH GRPHVWLF\ODZ E\ YLUWXH RI WKH (8:$ RU LLL QRW D TXDOLILHG LQYHVWRU DV LW IRUPV SDUW RI GRPHVWLF ODZ E\ YLUWXH RI WKH (8: UHTXLUHG E\ 5HJXODWLRQ U(8V 1R DUW RI GRVPHLWWLFF ODZ³8.\ YLUWXH 35,,3V 5HJXODWLRQ RU VHOOLQJ RU VHOOLQJ WKH 1RWHV RU RWKHUZLVH LQ WKH 8. KDV EHHQ SUHSDUHG DQG WKHUHIRUH RIIHULQJ RU VHOO DQ\ UHWDLO LQYHVWRU LQ WKH8. 35,,3V 5HJXODWLRQ XQGHU WKH

> ±6ROHO\ IRU WKH SXUSRVHV RI SXUVXDQW WR VHFWLRQV D DQG F 5HWDLO ,QYHVWRU 6HFXULWLHV RI 6LQJDSRUHDQ GLILHG RU DPHQGHG ÍURP WKH ,QYHVWPHQW 3URGXFWV DQG WKH 3HUPLQ QRWLILHV DOO UHOHYDQW SHUVRQV DV GHILQHG LQ 5HJXODWLRQ

3URGXFWV 5HJXODWLRQV ´WKHWHK DW WKH3S1URHWHFWLDEHG FDSLWDO
SURGXFWV GHILQHG LQ WKH 6) &03 5HJXODWLRQV DQG ([FOXGHG ,
1RWLFH 6)$ 1RWLFH RQ WKH 6DOH RI ,QYHVWPHQW 3URGXFWV RQ D
5HFRPPHQGDWLRQV RQ ,QYHVWPHQW 3URGXFWV @

> ±$V SDUDJUDSK RI WKH &RGH R
3HUVRQV /LFHQVHG E\ RU 5HJLVWHUHG ZLWK WKH 6HFXULWLHV DQG
SURVSHFWLYH LQYHVWRUV VKRXOGWDEWHU1RWLFHKWRSHUVRQVLY
3DUDJUDSK RI WKH +RQJ .´QDJS6)&RGHGRQ&RQGXFW” @ WR >”@ RI
DQG &0,V DV GHILQHG LQ WKH 2IIHULQJ &LUSXODUVDQGWKHRXOG &LHIV
LQFOXGLQJ SULYDWH EDQNV 3XUVXDQW WR 3DUDJUDSSKDUQJWRKQ
SDJHV >”@ WR >”@ RI WKH 2IIHULQJ &LUFXODU @

>7KLV GRFXPHQW LV IRU GLVWULEXWLRQ WR SURIHVVLRQDO LQYHV
WKH /LVWLQJ RI 6HFXULWLHV RQ 7KH 6WRFN([FKDQJH+RQJ .RQJ
3 ´ RQO\

Notice to Hong Kong investors: The Issuer confirms 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 confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

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7KLV GRFXPHQW WRJHWKHU ZLWK WKH 2IIHULQJ &LUFXODU LQFOX
*RYHUQLQJ WKH /LVWLQJ RI 6HFXULWLHV RQ 7KH 6WRFN ([FKDQJH
LQIRUPDWLRQ ZLWK UHJDUGWRWKH*URXS,WVDXHFUHSWV IXOO UHVSRQVLE
WKH LQIRUPDWLRQ FRQWDLQHG LQ WKLV GRFXPHQW DQG FRQILUPV
RI LWV NQRZOHGJH DQG EHOLHI WKHUH DUHQR RWKHU IDFWV WKH
PLVOHDGLQJ

6 <Ã5W Õ&³3OPl6±eø! #

7KLV GRFXPHQW FRQVWLWXWHV WKH 3ULFLQJ 6XSSOHPHQW UHODW

7HUPV XVHG KHUHLQ VKDOO EH GHHPHG WR EH GHILQHG DV VXFK
1RWHV´ WKH ´ VHW IRUWK LQ WKH 2GHWHUL&KJL3UFLQJ 6XSSOHPHQ

ILQDO WHUPV RI WKH 1RWHV DQG PXVW EH UHDG LQ FRQMXQFWLR
2IIHULQJ &LUFXODU GDWHG >

>7KH IROORZLQJ DOWHUQDWLYH ODQJXDJH DSSOLHV LI WKH ILUVW V
XQGHU DQ 2IIHULQJ &LUFXODU ZLWK DQ HDUOLHU GDWH

7HUPV XVHG KHUHLQ VKDOO EH GHHPHG WR EH GHILQHG DV VXFK
1RWHV³ WKH ´ VHW IRUWK LQ WKH 2IIHULQJ &LUFXODU GDWHG >R
FRQWDLQV WKH 1RWHV DQG PXVW EH UHDG LQ FRQMXQFWLRQ
GDWHG >DQG WKH VXSSOHPHQWDO 2IIHULQJ &LUFXODU GDWHG >RULJLQDO GDW
H[WUDFWHG IURP WKH 2IIHULQJ &LUFXODU GDWHG >RULJLQDO GDW

>,QFOXGH ZKLFKHYHU RI WKH IROORZLQJ 1RWHV DUH
VKRXOG UHPDLQ DV VHW RXW LQ WKH 7HUPV DQG &RQGLWLRQV IRU LQGLYLGXDO
SDUDJUDSKV ,WDOLFV GHQRWH JXLGDQFH IRU FRPSOHWLQJ WKH 3

7KH 1RWHV KDYH QRW EHHQ DQG ZLOO QRW EH UHJLVWHUHG XQGH
WKH ´ RU ZLWK DQ\ VHFXULWLHV UHJXODWRU\ DXWKRULW\ RI
6WDWHV 7KH 1RWHV PD\ QRW EH RIIHUHG VROG RU GHOLYHUHG ZL
H[HPSW IURP WKH UHJLVWUDWLRQ UHTXLUHPHQWV RI WKH

1.	Issuer:		GLP China Holdings Limited6(<Ã5W Õ&³3OPI6±eø! #)
2.	(i)	Series Number:	> ” @
	(ii)	Tranche Number:	> ” @
	(iii)	[Date on which the Notes become fungible:	[Not Applicable]/[The Notes shall be consolidated, form single series and be interchangeable for trading purp with the [identify earlier tranches of Notes] on [> ” @ WK Date/exchange of the Temporary Global Note for interes the Permanent Global Note, as referred to in paragrap EHORZ >ZKLFK LV H[SHFWHG] WR
3.	Specified Currency or Currencies:		> ” @
4.	Aggregate Nominal Amount:		> ” @
	(i)	[Series:	> ” @ @
	(ii)	[Tranche:	> ” @ @
5.	(i)	Issue Price:	> ” @ SHU FHQW RI WKH $JJUHJ accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
	(ii)	Net Proceeds	> ” @ [Required only for listed issues]

6.	(i)	Specified Denominations[1][2][3]:	> ” @
	(ii)	Calculation Amount:	> ” @
7.	(i)	Issue Date:	> ” @
	(ii)	Interest Commencement	[Specify/Issue Date/Not Applicable] Date:
8.	Maturity Date:		[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the rele month and year[4]] [If the Maturity Date is less than one year from the Is Date and either (a) the issue proceeds are received by Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintaine the Issuer in the United Kingdom, (i) the Notes must have minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to professional[3] investors; or (ii) another applicable exemption from secti 19 of the FSMA must be available.]
9.	Interest Basis:		> > ” @ S H U F H Q W) L [H G 5 D W H @ [[Specify reference rate] +/ > ” @ S H U F H Q W) [Zero Coupon] [Other (Specify)] (further particulars specified below)
10.	Redemption/Payment Basis:		[Redemption at par] [Other (Specify)]
11.	Change of Interest or Redemption/Payment Basis:		[Specify details of any provision for convertibility of tl Notes into another interest or redemption/payment basis] [Not Applicable]
12.	Put/Call Options:		[Redemption for tax reasons] [Redemption for Change of Control] [Redemption at the option of the Issuer] [Redemption at the option of the Noteholders]

[1] Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

[(further particulars specified below)]

13. [(i) Date of [Board] approval for issuance of Notes obtained: > ” @ > Dates specified @]

(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

[(ii) Date of regulatory approval for issuance of Notes obtained: Prior to issuance of Notes]

14. Listing: [Hong Kong Stock Exchange/Other (specify)/None] (For Notes to be listed on the Hong Kong Stock Exchange, insert the expected effective listing date of the Notes)

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)

(i) Rate[(s)] of Interest: > ” @ per cent per annum [payable annually/semi-annually/quarterly/monthly/other (specify)] in arrear]

(ii) Interest Payment Date(s): > ” @ in each year [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted]

(iii) Fixed Coupon Amount[(s)][5]: > ” @ per Calculation Amount

(iv) Broken Amount(s): > ” @ per Calculation Amount, payable on the Interest Payment Date falling [in/on] > ” @

(v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/other]

(vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

17. Floating Rate Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Interest Period(s): > ” @

(ii) Specified Period: > ” @

(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Busin

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[5] For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification and the following alternative wording is appropriate: Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest RMB0.01, RMB0.005 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.

Day Convention is the FRN Convention, Floating R Convention or Eurodollar Convention. Otherwise, ins "Not Applicable")

(iii) Specified Interest Payme Dates: > " @

(Specified Period and Specified Interest Payment Dates alternatives. If the Business Day Convention is the F Convention, Floating Rate Convention or Eurodoll Convention, insert "Not Applicable")

(iv) First Interest Payment Date: > " @

(v) Business Day Convention: [Floating Rate Convention/Following Business D Convention/Modified Following Business Da Convention/Preceding Business Day Convention/F Convention/Floating Rate Convention/Eurocle Convention/other (give details)] [Not Applicable]

(vi) Additional Business Centre(s): [Not Applicable/give details]

(vii) Manner in which the Rate(s of Interest is/are to b determined: [Screen Rate Determination/ISDA Determination/otl (give details)]

(viii) Party responsible fo calculating the Rate(s) o Interest and/or Interes Amount(s) (if not the Principa Paying Agent): [[Name] shall be the Calculation Agent (no need to specify if the Principal Paying Agent is to perform this function)]

(ix) Screen Rate Determination:

- Reference Rate: [For example, EURIBOR or CNH HIBOR]
- Interest Determination Date(s): > " @
- Relevant Screen Page: [For example, Reuters EURIB0R]01
- Relevant Time: [For example, 11.00 a.m. Brussels time]
- Relevant Financial Centre: [For example, Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currenc the euro)]

(x) ISDA Determination:

- Floating Rate Option: > " @
- Designated Maturity: > " @
- Reset Date: > " @

(xii) Minimum Rate of Interest: > ” @ S H U F H Q W S H U D Q Q X P

(xiii) Maximum Rate of Interest: > ” @ S H U F H Q W S H U D Q Q X P

(xiv) Day Count Fraction: > ” @

(xv) Fall back provisions, roundin > ” @
provisions, denominator and
any other terms relating to th [If Floating Rate Notes will be issued, fallback provisio
method of calculating interes and relevant risk factors may be set out in the sche
on Floating Rate Notes, i annexed to this Pricing Supplement, in case of
different from those set out i discontinuation of the relevant benchmarks, or changes i
the Conditions: the manner of administration of any benchmarks]

18. Zero Coupon Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) [Amortisation/Accrual] Yield: > ” @ S H U F H Q W S H U D Q Q X P

(ii) Reference Price: > ” @

(iii) Day Count Fraction in relation to Early Redemption Amount: [30/360/Actual/Actual (ICMA/ISDA)/other]

(iv) Any other formula/basis of determining amount payable: [Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 9(i)]

PROVISIONS RELATING TO REDEMPTION

19. Call Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s) > ” @

(ii) Optional Redemption Amoun > ” @ S H U & D O F X O D W L R Q $ P R X Q W
(Call) of each Note and
method, if any, of calculation
of such amount(s):

(iii) If redeemable in part:

(a) Minimum Redemption Amount: > ” @ S H U & D O F X O D W L R Q $ P R X Q W

(b) Maximum Redemption Amount: > ” @ S H U & D O F X O D W L R Q $ P R X Q W

(iv) Notice period: > ” @

20. Change of Control Put [Applicable/Not Applicable]

21.	Put Option	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Optional Redemption Date(s):	> ” @
	(ii) Optional Redemption Amount(s) (Put) of each Note and method, if any, of calculation of such amount(s):	> ” @ SHU &DOFXODWLRQ $PRXQW
	(iii) Notice period:	> ” @
22.	Final Redemption Amount	> ” @ SHU &DOFXODWLRQ $PRXQW
23.	Early Redemption Amount	[Not Applicable]
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, on change of control or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[(If each of the Early Redemption Amount (Tax), Early Redemption Amount (Change of Control) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax), Early Redemption Amount (Change of Control) and/or the Early Termination Amount if different from the principal amount of the Notes)]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of the Notes:	Bearer Notes:[6] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on > ” @ GD\V QRWLFH LQ WKH OLPLWHG circumstances specified in the Permanent Global Note][7] [Temporary Global Note exchangeable for Definitive Notes on > ” @ GD\V QRWLFH@[8] [Permanent Global Note exchangeable for Definitive Notes on > ” @ GD\V QRWLFH LQ WKH OLPLWHG circumstances specified in the Permanent Global Note][9]

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[6] Bearer Notes issued in compliance with the D Rules must initially be represented by a Temporary Global Note.

[7] LI WKH 6SHFLILHG 'HQRPLQDWLRQV RI WKH 1RWHV LQ SDUDJUDSK 00 and integral multiples of EUR1,000 in excess thereof up to and including (85 ´ WKH 3HUPDQHQW *OREDO 1RWH 7 days VKDOO QRW notice/at any time.

[8] LI WKH 6SHFLILHG 'HQRPLQDWLRQV RI WKH 1RWHV LQ SDUDJUDSK 00 and integral PXOWLSOHV RI (85 LQ H[FHVV WKHUHRI XS WR DQG LQFOXGLQJ (85 ´ WKH 7H days notice.

[9] LI WKH 6SHFLILHG 'HQRPLQDWLRQV RI WKH 1RWHV LQ SDUDJUDSK 00 and integral PXOWLSOHV RI (85 LQ H[FHVV WKHUHRI XS WR DQG LQFOXGLQJ (85 ´ WKH 3HU notice/at any time.

		Registered Notes: [Global Note Certificate exchangeable for Individual No &HUWLILFDWHV RQ >”@ GD\V QR\ described in the Global Note Certificate]
25.	Additional Financial Centre(s) or othe specialprovisions relating to paymer dates:	[Not Applicable/give details] [Note that this paragraph relates to the date and plac

distributed, and may be deducted from the purchase pric
the Notes payable by such private banks upon settleme

48. The aggregate principal amount of t > 1 R W $ S S O L F D E O H + . > ” @ @
Notes issued has been translated i
+ R Q J . R Q J G R O O D U V
producing a sum of (for Notes n
denominated in Hong Kong dollars):

49. [Ratings: [The Notes to be issued are unrated] /[The Notes to be issue
are expected to be rated by:]:

> > ” @ > ” @ @

> > ” @ > ” @ @ > D Q G @

(each a “Rating Agency”).

If any Rating Agency shall not make a rating of the No
publicly available, the Issuer shall select and substitute t
Z L W K > ” @ R U > ” @ D Q G L W V V X F F

HONG KONG SFC CODE OF CONDUCT

50. (i) Rebates > $ U H E D W H R I > ” @ E S V L V E H L Q
private banks for orders they place (other than in relatio
Notes subscribed by such private banks as principal whe
it is deploying its own balance sheet for onward selling
investors), payable upon closing of this offering based on
principal amount of the Notes distributed by such priv
banks to investors. Private banks are deemed to be pla
an order on a principal basis unless they inform the C
otherwise. As a result, private banks placing an order on
principal basis (including those deemed as placing an o
as principal) will not be entitled to, and will not be paid, t
rebate.] / [Not Applicable]

(ii) Contact email addresses [of the Overall Coordinator] where underlying investo information in relation to omnibus orders should b sent: [Include relevant contact email addresses of the Ove Coordinators where the underlying investor informati should be sent to OCs to provide] / [Not Applicable]

(iii) Marketing and Investo Targeting Strategy [if different from the programme OC

* L Y H G H W D L O V L I 3 & V H H R U H 3 Q W H E W R K L Q W K H 2 I I H U L Q J & L U F X O D U @

, Q F R Q Q H F W L R Q Z L W K Q D P H V R I 6 W D E L O L @ V D W L R Q 0 D Q D J H U ´ V P D \ R Y H U D O O R W 1 R W H V
W U D Q V D F W L R Q V Z L W K D Y L H Z W R V X S S R U W L Q J W K H P D U N H W S U L F

RWKHUZLVH SUHYDLO IRU D OLPLWHG SHULRG DIWHU WKH ,VVXH 'DW
0DQDJHU>V@ WR GR WKLV 6XFK VWDELOLVDWLRQ LI FRPPHQFHG
WR DQ HQG DIWHU WKH 6XEVFULSWLRQ VKDOO EH LQ FRPSOLDQF
DQG UXOHV @

7KLV 3UHOLPLQDU\ 6XSSOHPHQW FRPSULVHV WKH 6WDWXWRU\ ([WUDFWV RI
/LPLWHG WKH 1RWHV GHVFULEHG KHUHLQ SXUVXDQW WR WKH +.
WKH ,VVXHU

7KH ,VVXHU DFFHSWV UHVSRQVLELOLW\ IRU WKH LQIRUPDWLRQ FRQ

6LJQHG RQ EHKDOI RI WKH ,VVXHU
6 <Ã5W Õ&³3OPI6±eø! #

%_____
'XO\ DXWKRULVHG
1DPH
7LWOH

Each Tranche of the Notes to be issued in bearer form (Bearer Notes) will initially be in the form of either a temporary global note in bearer form (the Temporary Global Note), without interest coupons, or a permanent global note in bearer form (the Permanent Global Note), without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a Global Note) will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear as operator of the Euroclear System and/or Clearstream and/or a sub-custodian for the CMU and/or any other relevant clearing system.

,Q WKH FDVH RI HDFK 7UDQFKH RI %HDUHU 1RWHV WKH UHOHYDQW 6WDWHV 7UHDVXU\ 5HJXODWLRQV &RQWKH ´ RU 8QLWHG 6WDWHV 7UHDV † F L '³ WKH ´ DUH DSSOLFDEOH LQ UHODWLRQ WR DQ\ 7UDQFKH RI 1RWHV PHDQV WKDW QHLWKHU D PDWXULW\ RI PRUH WKDQ GD\V WKDW QHLWKHU WKH 7()5$ & 5

If the relevant Pricing Supplement specifies the form of Notes as being Temporary Global Note exchangeable for a Permanent Global Note, then the Notes will initially be issued in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, from the date (the Exchange Date) which is 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note after the Exchange Date unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership, as described above.

:KHQHYHU DQ\ LQWHUHVW LQ WKH 7HPSRUDU\ *OREDO 1RWH LV WR 1RWH WKH ,VVXHU VKDOO SURFXUH LQ WKH FDVH RI ILUVW H[FKD DXWKHQWLFDWHG WR RWKHU\ EH DUE R1RWWKH R7UHPSQ WKH FDVH RI DQ LQFUHDVH LQ WKH SULQFLSDO DPRXQW RI WKH 3HUPDQHQW *OREDO

(i) SUHVHQWDWLRQ DQG LQ WKH FDVH RI ILQDO H[FKDQJH SUHVHQ WR RU WR WKH RUGHU RI WKH 3ULQFLSDO 3D\LQJ $JHQW RU WKH EH DQG

(ii) UHFHLSW E\ WKH 3ULQFLSDO 3D\LQJ $JHQW RU WKH &08 /RGJLQ FHUWLILFDWH RQ 6HUYLFHV LQFOXGLQJ FOHDULQJ RU

ZLWKLQ GD\V RI WKH EHDUHU UHTXHVW &08 QR VXFK H[FKDQJH ZLOO XQOHVV XQWLO DOO UHOHYDQW DFFRXQW VWDWHPHQWV 5HJXODWLRQ RU GHILQ &08 RU DQ\ RWKHU UHOHYDQW QRWLILFDWLRQ VXSS &08 GD\ WR WKH SURYLGHG FHUWLILFDWLRQ QRQ

If the relevant Pricing Supplement specifies the form of Notes as being Temporary Global Note exchangeable for Definitive Notes and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules nor the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Bearer Notes in definitive form (Definitive Notes) not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

,I WKH UHOHYDQW 3UICLQJ 6XSSOHPHQW VSHFLILHV WKDW WKH RIIHULQJ RI
H[FKDQJHDEOH IRU DQG LQWHUHVW LQ UHVSHFW RI WKH 7()5$ ' 5XOHV
ZLOO LQLWLDOO\ EH LVVXHG LQ WKH IRUP RI D 7HPSRUDU\ *OREDO
IRU 'HILQLWLYH 1RWHV RQ RU DIWHU WKH ([FKDQJH 'DWH XSRQ H
WR 86 EHQHILFLDO RZQHUVKLS DV GHVFULEHG WKHUHLQ 1RWHV
FROOHFWHG ZLWKRXW 86 FHUWLILFDWLRQ RI QRQ

:KHQHYHU WKH 7HPSRUDU\ *OREDO 1RWH LV WR EH H[FKDQJHG IRU
SURPSW GHOLYHU\ IUHH RI FKDUJH WR WKH EHDUHU RI VXFK 'HILQ
DQG 7DORQV DWWDFKHG LI VR VSHFLILHG LQ WKH 3ULFLQJ 6XSSOHPHQW LQ DQ DJ
WR WKH SULQFLSDO DPRXQW RI WKH 7HPSRUDU\ *OREDO 1RWH WR
VXUUHQGHU RI WKH 7HPSRUDU\ *OREDO 1RWH WR RU WR WKH &RPPRQ
DQG 3D\LQJ $JHQW DV WKH FDVH PD\ EH ZLWKLQ GD\V RI WKH E

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes", then the Notes will initially be issued in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

(i) RQ WKH H[SLU\ RI VXFK SHULRG RI QRWLFH DV PD\ EH VSHFLILH

(ii) LI WKH UHOHYDQW 3UICLQJ 6XSSOHPHQW VSHFLILHV WKDW WKH SHUPDQHQW *OREDO 1RWH LV KHOG RQ WKH 3HUPDQHQW *OREDO 1RWH LV KHOG E\ RU &08 RU DQ\ RWKHU UHOHYDQW FOHDULQJ V\VWHP

(a) (XURFOHDU RU &OHDUVWUHDP RU WKH UHOHYDQW FOHDULQJ V\V IRU D FRQWLQXRXV SHULRG RI GD\V RWKHU WKDQ E\ UH LQWHQWLRQ SHUPDQHQWO\ WR FHDVH EXVLQHVV RU

(b) DQ\ RI WKH FLUFXPVWDQFHV GHVFULEHG LQ &RQGLWLRQ RFFXUV UHVSHFW RI DQ\ 1RWH RI WKH UHOHYDQW 7UDQFKH

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent or the CMU Lodging and Paying Agent, as the case may be, within 30 days of the bearer requesting such exchange.

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "Terms and Conditions of the Notes" and the provisions of the relevant Pricing Supplement which supplement, amend and/or replace those terms and conditions.

7KH WHUPV DQG FRQGLWLRQV DSSOLFDEOH WR DQ\ 1RWH LQ JORE
ZKLFK ZRXOG DSSO\ WR WKH 1RWH ZHUH LW LQ '(),1,7,9( )250
5HODWLQJ WR WKH 1RWHV ZKLOH LQ *OREDO)RUP

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

³$Q\ 8QLWHG 6WDWHV SHUVRQ ZKR KROGV WKLV REOLJDWLRQ ZLO
LQFRPH WD[ODZV LQFOXGLQJ WKH OLPLWDWLRQV SURYLGHG LQ 6
&RGH

(DFK 7UDQFKH RI 1RWH³V LQ UHJLVWHUHG IRUP RU SUHVHQWHG E\ HLWK

(i) LQGLYLGXDO 1RWH&HUWLILFDWHV L³Q UHJLVWHUHG IRUP

(ii) RQH RU PRUH XQUHVWULFWHG JOREDO´FHUWLILFDWHV DV VSHF
WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW

Each Note represented by a Global1RWH&HUWificate will be registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream and/or a custodian for the CMU and/or any other relevant clearing system, and the relevant Global1RWH&HUWificate will be deposited on or about the issue date with the common depositary and/or a custodian for the CMU.

,I WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW VSHFLILHV WKDW WKH
1RWHV ZLOO DW DOO WLPHV1RWHUHSUHVHQWHGGLVXEGLWRGHKDFK 1R
WKHLU UHVSHFWLYH KROGLQJV

If the relevant Pricing Supplement specifies the form of Notes as being a Global 1RWH&HUWificate exchangeable for Individual 1RWH&HUWificates´, then the Notes will initially be represented by one or more Global1RWH Certificates, each of which will be exchangeable in whole, but not in part, for Individual1RWH&HUWificates:

(i) RQ WKH H[SLU\ RI VXFK SHULRG RI QRWLFH DV PD\ EH VSHFLILH

(ii) LI WKH UHOHYDQW 3UL³LQJ6XSSOHPHQW VSHFLILHV WKDW 6HFXUL
&HUWL ILFDWHV

(a) LQ WKH FDVH 1RWH&HUWLILFDWH KHOG E\ RU RQ EHKDOI RI (X
WK&HU 8DQG RU DQ\ RWKHU FOHDULQJ V\VW&HPRUID(QXRFKHDU
UHOHYDQW FOHDULQJ V\VWHP LV FORVHG IRU EXVLQHVV IRU
UHDVRQ RI OHJDO KROLGD\V RU DQQRXQFHV DQ LQWHQWLR

(b) LQ DQ\ FDVH LI DQ\ RI WKH FLUFXPV(WHDQW6VRHHXDUWLFDWG L
UHVSHFW RI DQ\ 1RWH RI WKH UHOHYDQW 7UDQFKH

Whenever a Global1RWH&HUWificate is to be exchanged for Individual1RWH&HUWificates, each person having an interest in a Global1RWH&HUWificate must provide the relevant Registrar (through the relevant clearing system) with such information as the Issuer and the relevant Registrar may require to complete and deliver Individual 1RWH&HUWificates (including the name and address of each person in which the Notes represented by the Individual 1RWH&HUWificates are to be registered and the principal amount of each such person's holding).

:KHQHYHU 1RW*OREDO&HUWLILFDWH LV WR EH1RW[FKDQJHGIRULQGLFDWHV,QGLYLGXDO
WKDW ,QGLYLGXDO&HUWLILFDWHV ZLOO EH LVVXHG LQ DQ DJJUHJDWH SULQ
RI WKH 1RWH&HUWLILFDWH ZLWKLQ ILYH EXVLQHVV GD\V RI WKH GHOL

RI WKH 1RWHV DQG DQ\ DSSOLFDEOH WR WKH UHOHYDQW 5HJLVWUDU RI VXFK LQ
VXFK ,QG1LRYLGXDO &HUWLILFDWHV DJDLQVW 1RWHKROGHUV DQG WKHLU UHVSHFWLYH
WKH UHOHYDQW 5HJLVWUDU

6XFK H[FKDQJH ZLOO EH HIIHFWHG LQ DFFRUGDQFH ZLWK WKH SURY
DQG WKH UHJXODWLRQV FRQFHUQLQJ WKH 1RWHV VR OLVWHG RU 1RWHV VR GHDOW
LQ SDUWLFXODU VKDOO EH HIIHFWHG ZLWKRXW FKDUJH WR DQ\ KRO
PD\ UHTXLUH LQ UHVSHFW RI DQ\ WD[RU RWKHU GXW\ RU ZKLFK PD\
FRQQHFWLRQ ZLWK VXFK H[FKDQJH

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "Terms and Conditions of the Notes" below and the provisions of the relevant Pricing Supplement which supplement, amend and/or replace those terms and conditions.

7KH WHUPV DQG FRQGLWLRQV RI WKH 3URJUDPPH WR ZKLFK DQ\ *OREDO RU
ZKLFK ZRXOG DSSO\ WR WKH 1RWH ZHUH LW LQ'HILQLWLYH)RUP RU
UHODWLQJ WR WKH 1RWHV VR ZKLOH LQ *OREDO)RUP

In relation to any Tranche of Notes represented by a Global Note, references in the Conditions to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary for Euroclear and/or Clearstream and/or a custodian for the CMU and/or any other relevant clearing system, will be that depositary, common depositary or, as the case may be, sub custodian.

,Q UHODWLRQ WR DQ\ 7UDQFKH RI 1RWHV &RQGLWLRQV &RQGLWLRQ &RQGLWLRQ &RQGLWLRQ

DQG GLVFKDUJH WKH FRUUHVSRQGLQJ OLDELOLWLHV RI WKH ,VVXH
SD\PHQW RI SULQFLSDO RU LQWHUHVW LV PDGH LQ UHVSHFW RI WK
LV QRWHG LQ D VFKHGXOH WKHUHWR

&DOFXODWLRQ RI DQQXDO &HUWLILFDWH RQ RI DQ\ LQWHUHVW DPRXQW LQ UHV
*OREDO 1RWH RU *OREDO 1RWH &HUWLILFDWH ZLOO EH FDOFXODWH
1RWHV UHSUHVHQWHG E\ VXFK *OREDO 1RWH RU *OREDO 1RWH &HUWLILFDWH
WKH &DOFXODWLRQ $PRXQW

3D\PHQW %XVLQHVV 'D\ LQ UHVSHFW RI D *OREDO 1RWH RU *OREDO
SD\PHQW LV HXUR DQ\ GD\ ZKLFK LV D 7$5*(7 6HWWOHPHQW 'D\ DQG
PD\ EH FDUULHG RQ LQ HDFK LI DQ\ $GGLWLRQDO)LQDQFLDO &HQ
GD\ ZKLFK LV D GD\ RQ ZKLFK GHDOLQJV LQ IRUHLJQ FXUUHQFLHV
RI WKH FXUUHQF\ RI SD\PHQW DQG LQ HDFK LI DQ\ $GGLWLRQDO)

3D\PHQW 5HFRUG 'DWH LQ UHVSHFW RI DQ\ &HUWLILFDWH RU *OREDO
DV WKH +ROGHU LQ WKH 5HJLVWHU DW WKH FORVH RI EXVLQHVV L

The net proceeds from the offering of each series of Notes will be used for (i) general corporate purposes and (ii) refinancing of existing indebtedness. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

The following table sets out the Issuer's capitalisation and indebtedness as derived from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2023. The following table should be read in conjunction with the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2023 and the notes thereto included in this Offering Circular.

	As at 31 December 2023
	(US$'000)
Borrowings – current portion	
Loans and borrowings	3,917,036
Loans from joint ventures	2,829
Loans from non-controlling interests	5,530
Borrowings – non-current portion	
Loans and borrowings	4,800,751
Loans from non-controlling interests	737
Loans from third parties	4,364
Loans from associates	40,442
Total borrowings[(1)]	8,771,689
Total equity[(2)]	13,874,655
Total capitalisation[(3)]	22,646,344

Notes:

(1) Total borrowings equal to total current and non-current borrowings.

(2) Total equity includes share capital and reserves attributable to owners of the Issuer.

(3) Total capitalisation includes total borrowings plus total equity.

From time to time, the Issuer may issue debt or other securities in various currencies and in different markets depending on market conditions.

There has been no significant adverse change to the total capitalisation and indebtedness of the Group since 31 December 2023.

ILQDQFLDO DQG LQYHVWPHQW PDQDJHPHQW DQG PDUNHWLQJ DQG V
6KDQJKDL &R /WG $V VXFK WKH &RPSDQ\ RE\HG DOO WKH UHOHYDQW
GHYHORSPHQW FRPSDQLHV DQG EXVLQHVV PDQDJHPHQW FRPSD
RUGLQDU\ VKDUHV WR &/+ /LPLWHG E\ ZKLFK &/+ /LPLW
&RPSDQ\

2Q 6HSWHPEHU DOO LQYHVWPHQWV PDGH E\ WKH VWUDWHJI
&RQFXUUHQW WR */3 UHVWUXFWXULQJ LWV 35& DVVHWV DQG EXV
86 LQWR WKH &RPSDQ\ YLD WKH &RPSDQ\ &RPSDQ\ ,, &RPSDQ
REWDLQHG RUGLQDU\ VKDUHV RI WKH &RPSDQ\ WKXV EH

Calendar Year	Event
2013	,RZD &KLQD 2IIVKRUH +ROGLQJV +RQJ .RQJ */3¶V EXVLQHVV DQG RSHUDWLRQV LQ &KLQD
2016-2017	)LUVW LQWHUQDWLRQDO FRPSDQ\ WR LVVX ([FKDQJH &KLQD ,QWHUEDQN 0DUNHW
2018	*/3 GHOLVWHG IURP WKH PDLQ ERDUG RI WH /LPLWHG LQ -DQXDU\ ,RZD &KLQD 2IIVKRUH +ROGLQJV +RQJ .RQ +ROGLQJV /LPLWHG
2019	7KH ,VVXHU EHFDPH D VXEVLGLDU\ RI &KLQD GLQYHVWPHQW SDU *URXS LQ ZKLFK WKH ,VVXHU ZLOO DFTXLUH I
2021	*/3 &5(,7 &RPSDQ\ WKH ILUVW (, ZLWKRU &KLQD
2022	*/3 UHVWUXFWXUHG LWV IXQG PDQDJHPHQW WUDQVIHUULQJ LWV IXQG PDQDJHPHQW EXVL

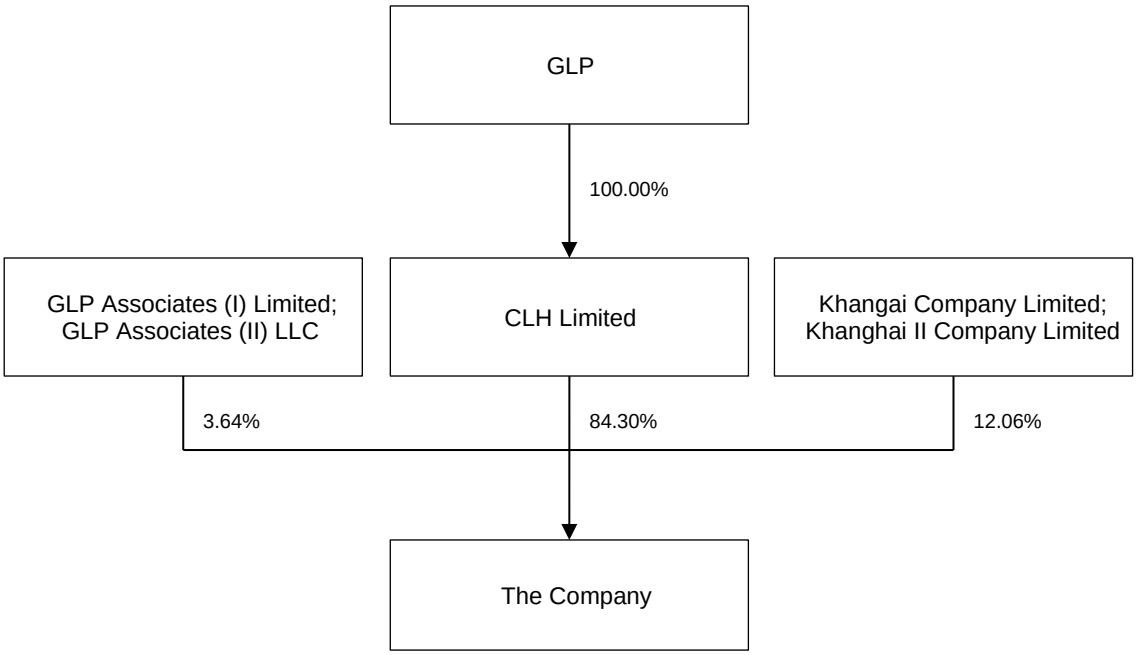
2Q -DQXDU\ WKH ,VVXHU SXUFKDVHG &KLQD ,QFRPH ZKROO WRWDO DVVHWV XQGHU PDQDJHPHQW RI DSSUR[LPDWHO\ 50% ELOOLRQ

,Q UHFRJQLWLRQ RI WKH ,VVXHU¶V GHYHORSPHQW DQG WKH KLJK TX UHFHLYHG QXPHURXV DZDUGV DQG UHFRJQLWLRQV IRU LWV RSHUD

Calendar Year	Award / Recognition
2024	China Top Employers 2024
2023	China Top Employers 2023 2023 Bloomberg Green ESG 50 National Could Computing Center Technology Award 2023 Top 10 third-party data center service providers in China 2023 KPMG China Future Sector 50 Ranking Series – PropTech 50 Haiyi Design Best Performing REITs awarded by Shanghai Private Equity Association Best Logistics Real Estate Investment Manager awarded by Shanghai Private Equity Association Best ESG Investor awarded by Shanghai Private Equity Association
2022	Asian Investor Asset Management Awards 2022 – Best Real Estate Manager ³&KLQD 7RS (PSOR\HU ´ E\ WKH 7RS (PSOR\HU GLP China IDC won "Green Practice Performance Award" by China Business News

Calendar Year	Award / Recognition
	GLP China IDC won the "2022 China IDC Excellent Service Provider Award" at the 17th China IDC Industry Annual Ceremony
	"GLP's Asset Platform Ranked Top 50" in 2022 China PropTech 50´ companies
	GLP FinTech was awarded the "Best Sustainable Trade and Supply Chain Finance Project in China´ by The Asian Banker
	GLP FinTech was recognized as one of the "KPMG China 2022 Fintech Companies to Top 50´
2021	PERE Awards 2021 – Logistics Investor of the Year: Asia
	"Financial Asset Achievement´
	Yicai the Corporate Social Responsibility Ranking in China – ESG
	2021 First of Top 10 Logistics Parks – China Federation of Logistics & Purchasing
	Outstanding Corporate Bond Issuer in Bond Market 2021, Outstanding Infrastructure Public REITs Participant and Outstanding Initiator in Asset Securitization Business – Shanghai Stock Exchange
	2021 Best Infrastructure Public REITs Award – The 6th Annual China Real Estate Securitization Summit
	"GLP's Digital Platform Wins Prize for Data Centre Scientific and Technological Achievements" – The 7th Data & Cloud Standard Summit
2020	Asian Investor Asset Management Awards 2020 – Best Asset Manager
	Euromoney Real Estate Awards 2020 – Best Industrial/Warehouse Developer (China & Japan)

7KH IROORZLQJ FKDUW VHWV RXW WKH VLPSOLILHG VWUXFWXUH RI WKH *URXS LPPHGLDWHO\ SULRU WR WKH 2IIHULQJ &LUFXODU



7KH *URXS EHOLHYHV WKDW LW KDV WKH IROORZLQJ FRPSHWLWLYH

7KH *URXS¶V SSDUHQW DQG FRQWUROOLQJ VKDUHKROGHU LV *[3 LQHVV EXLO DQG RSHUDWRU RI ORJLVWLFV GLJLWDO LQIUDVWUXFWXUH RQGZLWK VKDUHKROGHUV¶ SURSULHWDU\ DQG */3 WKH *URXS EHOLHYHV WKDW FRPSHWLWRUV DQG ZLOO EH DEOH WR FRQWLQXH OHYHUDJLQJ VXS DQG DIILOLDWHV WR IXUWKHU HQKDQFH LWV SURGXFW DQG VHUYLFH RIIHULQJV FDSDELOLWLHV DQG FRUSRUDWH JRYHUQDQFH &KDLUPDQ (XURSH ,QGLD 9LHWQDP DQ -DSDQ %UD]LO (XURSH ,QGLD 9LHWQDP DQ

:LWK SHU FHQW RI¶WKH&URPPSDQ\¶V/3*/3 SURYLGHV VWU VXSSRUW WR WKH *URXS DQG VHWV WKH NH\ VWUDWHJLHV RI WKH */RJLVWLFV ,QYHVWP HQW 0DQDJHPHQW &KLQD DW ERWK WKH */3 HQVXUH IXUWKHU DOLJQPHQW RI VWUDWHJ\ DQG IRFXV IRU WKH UHVSRQVLEOH DQG GHFLVLRQ DQG RSHUDWLRQV RI WKH*URXS DQG GHFLVLRQ SURFHVV WKHVH UHPDLQ JXLGHG E\ */3 7KH *URXS ULVN PDQDJHPHQW VWUXFWXUH DQG ULVN UHWXUQ WKUHVKROG PH IRU DOO VWUDWHJLF LQLWLDWLYHV DQG RSHUDWLRQV 7KH FUHDWLRQ RI V\QHUJLHV EHWZHHQ WKH OR WR PDQDJHPHQW¶V[IIHFWKHHPRGHOXSH FWRUV DUH H[HFXWLYH FRPPLWWHH P

RI GLUHFWRUV LV RXU SUHWWLHVW GXE\ D VHQLRU PDQDJHPHQW WHDP
*/3 VLQWHV WDEOLVKPHQW

7KH *URXS EHOLHYHV WKDW LW KDV D FRPSHWLWLYH DGYDQWDJH G
WHUPV RI LWV EUDQG QDPH DQG H[SHUWLVH LQ WKH ORJLVWLFV D
UHFRJQLVHG LQWHUQDWLRQDOO\ DQG GOREDOO\ TXDOLW\ UHVSRQVLYHQHVV
VWURQJ SODWIRUP IRU WKH *URXS WR LQWURGXFH DGGLWLRQDO FXVWRPHU
*URZWK KLJK FXVWRPHU UHWHQWLRQ UDWLRV ZKLFK L
VHUYLFHV WKDW WKH *URXS SURYLGHV DUH YDOXHG

$VD OHDGLQJ EXVLQHVV EXLOGLQJ RQ HVWDEOLVKHG RJLQWHUDWLRQDO
UHQHZDEOH HQHUJ\ DQG LQIUDVWUXFWXUH
DOOLDQFHV EXLOG DQG TXDOLW\ EXVLQHVV

ZLWK LWV WHQDQWV DQG LWDVGGHHGLFRWXRQRQV SWRKHLGURXSYDDXHE
ZHOOHFRJQLVHG EUDQG LPDJH LQ WKH ORJLVWLFV DQG ZDUHKRXVLQ

7KH LQFUHDVLQJO\ GHYHORSHG DQG HVWDEOLVKHG ORJLVWLFV DQ
GHULYH &UHRBRLWW?OLR ´ SRVLWLYH DQG VWDEOH FDVK IORZV D
FDSLWDO IRU H[SQVHRGHUQKHRJUR[WLFV DQG ZDUHKRXVLQJ IDFLO
FRQVLVWHQWOHMDXDWKLRQKH $W WKH VDPH WLPH WKH 35& ORJLVWL
SUHVHQWV DQ DWWUDFWLYH RSSRUWXQLW\QJRLDFWRZWK IRU WKH *U

x 'HPDQG IRU ORJLVWLFV DQGHZDUHKRXHVLQJ LHDFWLOGWLHV E\
FRQVXPJUWRZPQKLGHQGSUHG HRSMWLRQ IHDUJH DQGLQEROZHQJ PL
SRSXO&KLQRQEHFRPLQJ RQHORUWKHVWFRQGFRHGLQJUWRWWKH 3U
JRYHUQPHQW ZRUN UHSRUW DW &KLQD'VWLRQ'3 JURZWK WD&URJH
SHU FRQW 7KH VWDEOH *'3 JURZWKVWDLQHG DUHEQWJLGWRFQG
ZDUHKRXVFLQJLQGVGLWLRQ FRPSDUHG ZLWK RWKHU PRGHUQ GL
HQG VWRUDJH DUHD LQ &KLQD LV VWLOO UHODWLYHOIRUZ +HQ
KLJK JURZWK SRWHQWLDO*UR[WKH SRFRQWLQHQWDO RUHJLRQV E\ SDQG
RSHUDWLRQVEDQGFHG HYHOLRSKQHQWV QXIDEJLQJLQJ QIQGVWUXQXHZXEOH
HQHUJFLOLWLHVLWEXRQV DW 'HFHPZELWK SODQV IRU IXUWKHU H
RWKHU FLWKLHQWZDWKLQFHPWKHU*RZQV DQG PDQDJHV D VL]HDEO
PLOOLXDQDHWUURVV IORRU DEHRKVQDSRUWIOLR FRQWDLQV FRP
VWDELOLVHG SURSHUWLHVLQOXHSURSHUWRWHGRLQWRSHUDWLRQVLR
D VWURQJ OHSDVUHDQGWD RIREXW RFFSXHUDQWDWLR RI

x /RJLVWLFV ODQG VXSSO\ KDV EHHQ RQ WKH FRQVWUDLQW IRU \
WKH *URXS LV EHWWHU SRVLWLRQHG WR ZHDWKHUVDHQW XQDRVH
H[SRVXUH DQG PDUNHW OLHDVGSRUWIOLRQLQWURHQSFKHPGLEU ORFDWL

x *URZWKFRRPPHU&KLQQOLQH VDOHV KDYHLJURZHHQZKRLQHDQKDOVDOV
DFFHOHUDWHGWYHGOPVKHHQWDRQRHQVLXSSO\ FKDLQV IRU YDULRXV EX
IUHVK IRRG SKDUPDFHXWLFDOV HFRPPPKHHJUERXLQJHQHWUEDU
GHPDQRGRHUQ ORJLV7WKHFWKDUFHORIWLRW DO ORJL¶WHRPVHUHDV G
EXVLQQHVVHDVHGHUURPVQDWWFHPEHU WRYHUHU FDVQDW 'HFHPEHU
7KH QHW LQFUHDVH LQ OHLDOHXQQHWWGXULQFKWGH \HDU HQG
'HFHPEHU ZKLFK 2DVLSULGUEXRHQHE\F DFFHOHUDWLRQ DQG VXS
ZKLFK FRQWLQXHV WR JHQHUDWHGHQGRJRWWPLFGHQWLQWHV
7KH &RPSDQ\ H[SHFWV WKRHPEHSH&KLQQHR ZRWKQWLQQH DQG DFFRUG
GHPDQG IRU PRGHUQ ORJLVWLFV DQG ZDUHKRPXLQHQGHDFLYHLWLHV

7KH *URXS KDV LQ SODFH ILQDQFLDO PDQDJHPHQW SROLFLHV WKDV
DQG PRGHVW OHYHUDJH

7KH *URXS EHQHILWV IURP DFFHKVDQQHROGILYHDUMQLFQHGDQGEPKWQWR W
WR ELODWHUDO ORDQV V\QGLFDWHGMRQHQWQGWRKWKFHUSEWUDORFZDQNV
*URXS FRQVWDQWO\ PRQLWRUV LWV FXUUHQW DQG H[SHFWHG OLT
FRYHQDQWV WR HQVXUH VXIILFLHQW FDVK UHVHUYHVHDRQGHQG

WHUP OLTXLGLW\ UHTXLUHPHQWV 7KH *URXS KDV JRRG UHODWLRQV
RI WKH ODUJHVW FRPPHUFLDOLVHG EDQNLQJ LQVWLWXWLRQV LQ &((&((DQG

$V DW 'HFHPEHU WKH ¶VHQLRU DQG FDSLWDO LQVWUXPHQWV
86 PLOOLRQ DQG 86 SHUSHWXDO VHFXULWLHV LQFOXGHG DV WKH GLIIHUH
WRWDO[18] DQG HEWDVK DQG FDZHKSHHTXLYDOHQW PLOOLRQ
PLOOLRQVSHFWLYHO\ 'HFHPEHU *URXS DQG D QHWWKHHIHFWLYHGDW
DV D SHUFHQWDJH RI QHW GHEW RYHU WRWDO HTXLWV FDSLWDO

,Q DGGLWLRQ FRPSDUHG WR FRPPHUFLDO SURSHUW\ VHJPHQWV W
ZDUHKRXVLQJ IDFLOLW\ VHPLFRQGXFWRU IDEULFDWLRQ SODQWV
DQG FDVK FRQYHUVLRQ F\FOHV $V VXFK WKHVH EXVLQHVVHV UHTX
FDQ EHQHILWHG WR DFFHOHUDWH JURZWK LQ WKH EXVLQHVV WK
WR H[JHQRXV IDFWRUV VXFK DV HFRQRPLFDOO\ DFFHVVLEOH
WKH DGYDQWDJH RI EHLQJ DEOH WR EH DGHTXDWHO\ IXQGHG DQG
WR GHPDQG FRQGLWLRQV

7KH *URXS¶V QHWZRUN LV ZHOO GLYHUVLILHG E\ WHQDQW PL[DV ZHOO D
*URXS OHDVHV LWV IDFLOLWLHV WR D EURDG UDQJH RI FXVWRPHUV
DQG GRPHVWLF FXVWRPHUV LQFOXGLQJ OHDGLQJ SURYLGH
PDQXIDFWXUHUV LPSRUWDQW VHPLFRQGXFWRU FRPSDQLHV
LQFOXGLQJ HOHFWURQLFV FRQVXPHU JRRGV QHWZRUN
SKDUPDFHXWLFDOV PHGLFDO ,QVWUXPHQWV DQG SUHFLVLRQ
SURSHUWLHV ORFDWHG DFURVV &KLQD 6RXWK (DVW $VLD
RI PLOOLRQ VT) 7KH *URXS KDV SODQV IR
H[SDQVLRQ RI LWV IDFLOLWLHV WR EH DEOH WR
VHFWRUV VXFK DV SKDUPDFHXWLFDOV DQG
JHQHUDWH UHSHDWHG $VVXPLQJ QHVVHFHVVDU\ OHDVHUHQHZDO
FHQWHUV D UREXVW SRFHVVLQJ FDSDELOLW\ RI [LPDWHO\
E\ PXOWLFDWLRQ FXVWRPHUV SHQGLQJ FHUWLRQ LQ WKH 3
FXVWRPHUV RI WKH¶*UHDWHU &KLQD 7HFKQRORJLHV GLYHUVLILHG FXVWRPHU
*URXS¶V SGLVWLQJXLVKHG UHSXWDWLRQ LQ WKH ZKROHVDOH GLVWULEXWLRQ
D VWURQJ SODWIRUP IRU JURZWK DQG IXUWKHU VWUHQJWKHQLQJ R

7KH *URXS RSHUDWHV ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHV
ZLGH FROXPQ VSDFLQJ KLJK ORDG FDSDFLW\ VSDFLRXV DQG PRG
HQKDQFHG VDIHW\ V\VWHPV DQG 6((*URXS KDV D VWURQJ
SRUWIROLR $EV\ DWWYHQWLRQ PDQDJHPHQW SURJUDPV WKDW HQVXUH
DIWHU :LWK UHVSHFW WR WKH DYHUDJH DJH RI
ORJLVWLFV DQG ZDUHKRXVH GHSUHFLDWHG SURSHUWLHV DQG
SHUPDQHQW LPSURYHPHQWV RQ OHDVHG SURSHUWLHV
DQG VWDELOLVHG DVRDWWL'HFHPEHU[LPDWHO\

[18] The total debt consisted of loans and borrowings, loans from non-controlling interest, loans from third parties, loans from joint ventures, loans from associates, finance lease payable and lease liabilities in the relevant years.

7KH *URXS KDV EXLOW D GLVWLQJXLVKHG UHFRUG RI VXFFHVVIXO FROODERUDWLYH UHVHDUFK SURMHFWV
IDFLOLWLHV DQG LV FRPPLWWHG WR SURYLGLQJ WKH UHVRXUFHV DQG VXSSRUW QHFHVVDU\ IRU WKHLU
*URXS EHOLHYHV WUXH NQRZOHGJH JURZV WKURXJK GLYHUVH SOLQHG LQYHVWPHQW SURFHVV
ZDUHKRXVLQJ IDFLOLWLHV LQ VWUDWHJLF ORFDWLRQV DFURVV WKH
FXVWRPHUV 7KH *URXS LV FRPPLWWHG WR HQVXULQJ WKDW HDFK RI LWV
IDFLOLWLHV ZLWK IHDWXUHV WXOLKDWLRQ DQG HTXLSPHQW ZDVWH
H[SDQVLYH JUHHQ DUHDV

7KH FRUH VWUHQJWKV RI WKH *URXS LQFOXGH ZDUHKRXVLQJ IDFLOLWLHV L
SUHPLXP ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHV GHVLJQ VSH
VWUXFWXUH ILUH SURWHFWLRQ DQG VDIHW\ PDLQWHQDQFH DQG VXSHUYLVLRQ
HIILFLHQF\ R¶RLSWLPL]DWLRQ QDWLRQDO FRYHUDJH ZLWK VWDQ
HDVLO\ UHSOLFDWH DQG H[SDQG DFURVV GLIIHUHQW WKHRVWDWLRQDO
LQIUDVWUXFWXUH VXFK DV KLJKZD\V UDLOZD\V SRUWV DQG DLU
VHUYLFHV WR VXSSRUW WKH

7K*URXS DLPV WR LQFXEDWH QHZ VRXUFHV RI GHPDQG IRU H[PSO
WKH ORJLVWLFV HFRV\VWHP GHYHORSPHQW DQG FDSLWDOLVLQJ R
JHRJUDSKLF RIIHULQJ RI XLWLVQJDRDEVLWLVHVQGFZDRVWKWKH 35& WKH
WHQDQWV WKDW KDYH QHYHU OHDVHG LWV ORJLVWLFV DQG ZDUH
LQGXVWU\LILF VDOHV IRUFH LW KDV HVWDQE ZLWKHG LQKHY3HZ& R&XUV
*URXS KDV OHDVLQJ WHDPV VSHFLDOLVLQJ SDLQW\LORDJHVFWLEBQSLFRYD
GHOLYHU\ FRPSDQLHV LY SKDUPDFHXWLFDOV DQG FROG VWRUDJH
DQG RWKHUV DOO FRPSULVLQJ SHUVRQQHO ZLWK UHOHYDQW LQGX
WHDPV XQGHUVWDQGVWHWQYHHGDQWV DQG DUH WKHUHIRUH DEC
VWUDWHJLHV

7KH *USRUXSSMFRXWWWGQH LQQRYDWLRQWLGVWDKHLGZWRKLPXVLRQYH RSHUD
HIILFLHQF\ DQG VHUYLFKHO*URRSSDYHIRUHQFWWWRHKQLFDO VROXWLRQV
VPDUW ZDUHKRXVHV WR ILQDQFLDO VXSHUYLVLRQ ZDUHKRXVHV DQ
HIILFLHQF\ DQG EXV7KHH*URXSSZLSHOUEYHQWWL QXQHODBWWWFKQRORJ
LQGXVWULHV[SDQGGX`DQGHXKQGLVZSQ9HZRHUD\RFOHDJWWHWLFV HFRV\VWH

6LQFH HQWHUHGLQDUDWKWQXSHHQ FRPPLWWHGDWRQEXDLQG LQ
HQYLURQPHQWDOO\ IULHQGOWLQHXRXGLWLP SFRQVWLQJ HQWHUJ\ HIIL
LPSURYHPHQWVHIFWQRIO RJ\ DQGQGDWRKDHEROMFVRLRXSDZLWKHU\URXS DLPV W
LQWHVWKEWFRQFHSW RI VXVWDLQDEOGLGLQDUDVPHQEWHXQWRHDYHOOPVW
DQG RSHUDWLRQVWLRFQXU FOHDQHUURXRWKHFDUERKHU\URXS DLPV
LQGXVWU\

$V SDUW RI LWV HLQLWHJWWPHQWV LQWLWRKH *URXS LV DFWLYHO\ H[S
SURYLGLQJ LWV ORJLVWLFV FXVWRPHUV ZLWK FOHDQ HQHUJ\ VROX
RSHUDWLRQ

7KH *URXS¶V DSSURDFK WR UHQHZDEOH HQHUJ\ GHYHORSPHQW FR
DQG RSHUDWLRQDO PDQDJHPHQW 7KH *URXS LV IRFXVHG RQ H[SD
FDSDELOLWLHV RI WKH URZQHVZDEQGHPRQVWUDWLQJHDWVEHWYHHQ DQ
VHUYLDEHKGVWKURXJK SDUWQHUVKLSV ZLWK ORFDO SRZHU JULGV LV D
FLWLHV RI WKH IXWXUH

7KH *URXS LQWHQGV WR FRQWLQXH WR IRFXV RQ VWUHQJWKHQLQJ
DVVHWV DQG WKH WLPHO\ GHOLYHU\ RI LWWRGSHLYMDORSVHQ SWKRHMH
RSSRUWXQLWLHV ZLWKKHLRWPRWEX3E&GWQWKD JOREDOO\ FRPSHWLWLYH
WKUHH PDMRRJLVHWGFRQJLQHHULQJ DQGQJLQHHUV ¶UROXLSHDWHJ
LQ WKH 35&UHDUHWRIEWRZV

x :LWK D JURZLRQIJ SUHVH
ORJLVWLFV DQGRSHUDWLRQDOWLHVKRMDQGHYHKORJKQGWDQXIGEWLXWDQJ
LQIUDVWUXFWXUH ZHDEGFHOLWHUVLWDE&KRLQQ DW 'HFHPEHKH
*URWSFXVWRPHUV FDQ EHQEHLWLWRPWWKRHDEURWQGLPWRSOWFKFDL
VHUYGEHLQDUDVWGXHQXZDEDQGRHXWURQV LQ PXOWLSOH FLWLHV
H[SDQGVHVHWKRQUDVWSEXFWWKHR*URXS DLPV WR EXLOG DQ LQGXV
WKDW HFWRPEHQWV DQG VHUYLFHFKQRQGHWPSRZGHUQQRYDUWHDVQHUQ R
YDOXH IRU LWV FXVWRPHUV DQG VKDUHKROGHUV 7KH *URXS LV IXOO\ FRPP
LQGXVWU\¶VGJHXWWKLQJ SURPRWLQJ LQGXVWULDOWKSJUGL
LQGXVWWRVDQQEPDFKLHYLQJ D PRUH HIILFLHQW HFRQRPLF RSHUD

x WKH *URXS ZLOO FRQWLQXHWZDREGH
HQHUJ\ EXLVWKRHBXVDWQHWV DQG VHUDQEHQGVWKEHUJ\ VWR
EDWWKHUL\JQJ DQG VZDSSKHJ*URXSDWFXWWRXSQHWRWWHGWKRQDO
HQHUJRXUFHV WR FOHDQ HQHUJWVLRXUFHKLSSLQDUBWQXFQGXUH U
LQGXVWULD,QQ VHGLGYLWFLHVQ WKH *URXSEDVEFRQP PHPWVHGRQWR WKHGRX
WFKQRORJLFDO GHQQVRYIDWQJRQSSXRUWXQHDWQ GQGWZKHVWUHDP R
FKDWLRFKHOHRYZ FRUSEHRQDWLRQ

x

:LWK DQ DOUHDG\ HVWDEOLVKHG SUHVHQFH LQ WKH 35
WKH 35& WKH *URXS VWULYHV WR OHYWHRQWRQXHWWRPDDSNLWWD
IDVWWRZLQJ DQG VWURQJ GHPDQG IRU PRGHUQ ORZ

DOVZRUNZLWHKFRV\VFWRPSDQLHVLQ WRYHVWGXFH UHGXQGDQF\ DQG
WHFKQRORJLFDO LQQRYDWLRQ LPSURYH LQGXVWULDO HIILFLH
FRPIRUW RI WKH ZRUNLQJ HQYLURQPHQW RI HPSOR\HHV LQ O
WKURXJK WHDFKQRORJLFDO LQQRYDWLRQ

x

,Q IXUWKHULQJ WKHUHU JOREDO VWUDWHJ\ RI RUJDQLF JURZWK D
ODQG UHVRXUFHV DYDLODEOH WKH *URXS ZLOO FRQWLQXH WR
DQG DGRSW D FRQVHUYDWLYH DSSURDFK LQ WKH SXUVXLW RI D
SDUWLFXODU\ LQ WKH 7LHU DQG 7LHU FLWLHV WKDW KDYH 35
HQWHUSULVHV DQG SULYDWH FRPSDQLHV DQG HDFK XQLW LV
ZLOO FRQWLQXH WR DFWLYHO\ H[SORUH QHZ RSSRUWXQLWLHV
DQG OHYHUDJH LWV VWUDWHJLF SDUWQHUVKLSV WR [HVWLQJ R
7DNHQ WRJHWKHU WKHVH RQJRLQJ LQLWLDWLYHV SRVLWLRQ DQG WKH S
6LQJDSRUH ([FKDQJH 6HFXULWLHV 7UDGLQJ /LPLWHG LQ -DQXD
DIIRUG ERWK */3 DQG LWVHOI ZLWK PRUH IOH[LELOLW\ JRLQJ IRU
ZHOO SRVLWLRQHG WR SXUVXH RUJDQLF DQG LQRUJDQLF *ERQG
HPSOR\HHV DQG WKH FRPPXQLW\ ZLWK QHZ RSSRUWXQLWLHV
LPSURYHPHQW³PDQDJHPHQW HFRQRPLHV WR RXS LV FRQWLQXH
SURPRWH UHJLRQDO HFRQRPLF GHYHORSPHQW DQG XUEDQ U
RSSRUWXQLWLHV ZRUSWLQF]HQ YLURQPHQW DQG LJHGSHQWWHUSDOVH
WHUHLVQDIQFLQJ DQG LQGXVWULDO XSJUDGLQJ

7KH *URXS SODQV WR VWUDWHJLFDOO\ DFTXLUH DFTXLVLWLRQ VWUXFWXUHV WR
VWULYHV WR XWLOLVH WKH VWURQJ UHFXUULQJ LQFRPH VWUHDP
DQG JU7RZWK*URXS ZLOO DOVR SURDFWLYHO\ PDQDJH LWV
FRPSHWHG SURMHFWV WKURXJK HVWDEOLVKLQJ DQG GHYHORSLQJ
DQG[SORUH VWUDWHJLF RSWLRQV WR [LPLVH LWV QHWZRUN EXVLQHVV
GLVSRVHVWUXFWXULQJ UHODWHGRUWHR EXVLQHVVHV*URXSWKHE*QWXSR
UHJXODU\ FRQVLGHUV DQG HYDOXDWHV VXFK SURSRVDOV IURP WL
PDQQHU WDNLQJ LQWR FRQVLGHUDWLRQ D UDQJH RI LQWHUQDO DQ
REMHFWLYHV *RIR*S¶WKDWHEOLQG 7KRUUHLKROGHUV SURYLGH DQ D
RI IXQGV WR V¶SXJURZKWKH*DURZKSFXHDWKH SVUKRHHHE\FORHG EDVSHHWDO
PDWXUH VWDELOLVHG SURSHUWLHV FRXDG HE[HDRXSGHG7ZDRLXQGHGQHZ
RQ 6KDQJKDL 6WRFNKROGHUV VIXOO\ FRRSORHWHGLQDIRQKLFKH
SURYLGHV WKH *URHXUP ZLDWKLWDOORYHKLFOH IRU FDSLWDO UHF\FOLQJ

7KH GHYHORSPHQW RI PRGHUQWKRJ\WRXSFWQIDFLQHVDRQGHUVWRZZWRQHUDM
UHJXODU DQGGURHLFXURLKQDKHQVWKH \HDU HQGHG WK'HFHURXSU
GHOLYHUHGP8GOLRQ GHYHORSPHQWSLQRQHWFWVWLQJ WKH SUR
KHOG E\ WKH WXKQG*VURRQGSWHPHQW ZLWKHUDFHQWHQDULHQW PDUJL
DFKLHYHG DQ RYHUDOO SWDEWLKOLWDWXSRHPDLHYRWKDW WKH H[SH
IURP VXFK DFWLYLWLHV GLDOWDUQRQFWK IORZ SRVLWLRQ

7KH *URXS SODFHV D KLJK SULRULW\ RQ RSHUDWLQJ JZRLYWHKU QEHHGVW E
SODWIRUP EDVHG RQ WUDQVSDUHQF\ DQG ZLWK FRQVLGHUDWLRQ IR
WR LWV FXVWRPHUV DQG FRPPXQLWLHV

- 7KH *URXS RSWLPLVHV VXVWDLQDELOLW\ RI LWV QHZ
  LQLWLDWLYHV SRVLWLRQLQJ LWV SURSHUWLHV WR WLHQLPPLVH V
  EHQHILWV WR LWV FXVWRPHUV DQG WGKXHFHOLWDVWRPXQLWLHV ,
  FRQWULEXWH WR D JUHHQHU ZRUOG WHWHKHSHLWS ZLW
  WHFKQRORJ\ VHFWRUV DQG VROXWLRQV IRU LWV EXLOGLQJV

- 7KURXJKRXW WKH GHYHORSPHQW FRQVWUXFWLR
  SURSHUW\ WKH *URXS LV FDUHIXO WR JXDUG DJDLQVW DQ\ EU
  FRQGLWLRQV FRPSO\ ZLWK WKH UHOHYDQW ODZV UHJXODWLRQV
  DQG PLWLJDWHV ULVNV WKURXJK FRQWDQW DQG WKRURXJK PR
  EHOLHYHV WKDW DV D UHVXOW RI WKH VWULFW OLFHQVLQJ
  DQG LQYHVWRUV ZKLOH UHPDLQLQJ LV HQKDQFHG

- 7KH *URXS EHOLHYHV WKDW HIIHFWLYH FRUS
  LWV VXFFHVV +HQFH WKH *URXS HVWDEOLVKHV UREXVW SUR
  PLQLPLVH WKH ULVN RI HUURUV ZKLOH UHPDLQLQJ SDWULDQH
  RWKHU VWDNHKROGHUV :KHUHYHU SRVVLEOH WKH *URXS PLQL
  WHFKQRORJ\ DQG LQGHSHQGHQW WKLUG SDUWLHV

7KH *URXS LV D OHDGLQJ JRCZRQEHDU GHVLHQHRVWRUEXLOGLQGHSVHLVWDWRU
LQIUDVWUXFWXUH SURYLGHU LQ WKH HQHUJ\ DQGGQGHYHORSPHQWKLFHWHFKQRORJ\ WKD
H[SHUWLVH DQG RSHUDWLRQDO OLQGQXOO GLQVLGKWVWDFUHDWJHKYTXXDXHLWKRBDQGGHVU

7KH *URXS LV WKH LQYHVWRDSSGUHY[HLPBWHUQDWLRQDOSWHUDQGRJIVXSSO
RSHUDWLRQVQDGFFGHYHKOLJKQHPDQXIDEWXUQJ WDUXGFWXHQHZEOH HQ
DFURVV FLW7KHVRLQS&KQLQHDUO\ PRYHU LQLHQQYHVQQRRDWQRBEFHRC
LWV DSVHWV DQG KDV EXLOW D KLJKO\ FRPSHWLWLYH EXVLQHVV HF
7KH *URXSOHDGLQJ WKH ZD\ LQ DGRSWLQQJYDQGLPSWKDVLQJPWKRH
HIILFLHQF\ DQG EWKXDWRPYHDUXBQRULQYHVWRUV

7KH IROORZLQJ WDEOHWVRHWDO RXSWUDKHWLQYHRXQWKHQGXVWULDO ORJL
LQIUDVWUXLEWXUHVWDQXLHVWQGFHVXWHQHVVIRHJWKHQWHG 'HFHPEHU
DQG

For the year ended 31 December

Item	2021		2022		2023	
	Total operating income	Proportion	Total operating income	Proportion	Total operating income	Proportion
			8 6 µ			
Rental for industrial logistics infrastructure...	1,010,54	80.25%	851,051	70.61%	836,16	64.19%
Digital infrastructure.....	4,38	0.35%	45,39	3.77%	135,38	10.39%

Item	For the year ended 31 December					
	2021		2022		2023	
	Total operating income	Proportion	Total operating income	Proportion	Total operating income	Proportion
Other business segments	244,38	19.41%	308,86	25.63%	331,00	25.41%
Total operating income	1,259,31	100.00%	1,205,310	100.00%	1,302,55	100.00%

7KH IROORZLQJ WDEOH VHWV RXW WKH RSHUDWLQJ UHYHQXH DQG RSHUDWLQJ FRVW RI WKH FRPSDQ\¶V SULQFLSDO EXVLQHVV VHJPHQWV GXULQJ WKH UHSRUWLQJ SHULRGV

'HFHPEHU

ZHUH 50%V TXDUH PHWUH PRQXPHQWDO PHGLXP RQWTXDUH PHWUH PRQ
UHVSHFWLYHO\

7KH *URXS¶V 3HUWK RIILFH LV DQG WKH *URXS KDV VLQFH EX
VWUDWHJLFDOO\ ORFDWHG VLWHV ZLWKLQ NH\ ORJLVWLFV KXEV D
LQGXVWULDO]RQHV 7KH &KLQD 3URKHWFWLRQ ZDV 6KDQJKDLO\ RIILFH
6KHQ]KHQ DV ZHOO DV WKH LQGXVWULDO FLW\ RI 6X]KRX ZKLFK U
&KLQD 7KH *URXS KDV VLQFH JUDGXDOO\ H[SDQGHG LQWR XNH\ JDW
1DQMLQJ 6KHQ\DQJ DQG &KHQJGX ZKHUH GHPDQG IRU PRGHUQ OR
E\ UDSLG JURZWK LQ ORFDO *'3 DQG FRQVXPSWLRQ

,Q &KLQD WKH *URXS WULHV WR DFTXLUH WKH EHVW ORFDWLRQV D
RFFDVLRQ LW DOVR SXUFKDVHV H[LVWLQJ IDFLOLWLHV JHQHUDO
PRGHUQLVLQJ RU UWRROLFRPSOLMPRVLHWP YRQWXUHV ZLWK ORFDO JRYH
DXWKRULWLHV WR VHFXUH ULJKWV WR ODUJH VWUDWHJLFDOO\ ORF
RXW IDFLOLWLHV ZLWKRXW DGGLWLRQDOKHU:H/QRMDWLRQUHVXSDW¶W FR'PS
VWDELOLVHG ORJLVWLFV SURSHUWLHUVLQ &KLQD ZDV DSSUR[LPDWH

7KH *URXSHLWWKH ODUJHVWPSRUGHYLQGHURJLVWLFV DQG ZDUHKRXVLQJ ID
DEVROXWH OHDGLQJ SRVLWLRQ LQ WKH PRGHUQ ZDUHKRXVLQJ ILH
VXLWH RI VROXWLRQV DQG SURGXFWV UHOLDWHHVWRQFHQGHUDQJURXS
ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLW\ GHYHORSPHQW DQG GHVLJ
DFTXLVLWLRQ DQG OHDVHEDFNV

0RVW RI WKH *URXS¶V SURSHUWLHV LQ &KLQD RIIHU WKH IROORZLQ
PRGHUQ ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHV

- VWRUDJH VDIHW\ VHFXULW\ DQG VXUYHLOODQFHWLOLHJDWHXUHVU
  DV VSULQNOHUV
- RSWLPDO VSDFH XWLOLVDWLRQ HIILFLHQW ORDGLQJ IDFLOLWLHV DRUHX PQ VSDFLQ
  VSDFLRXV DQG PRGHUQ ORDGLQJ GRFNV DQG HDV\ WUDFN DFFH
- KLJK RSHUDWLQJ HIILFLHQF\ VSDFLRXV ORDGLQJ DQG SDUNLQJ
- FRQYHQLHQW DQG RSWLPDO ORFDWLRQ WR HQDEOH LWV FXVWR
  DQG
- IOH[LELOLW\ WR SURYLGH FXVWRPLVHG FHRQGLWLRQLQJ DI
  UHIULJHUDWLRQ IUHH]LQJ

7KH *URXS FRQVWUXFWV QHZ IDFLOLWLHV DQG GHYHORSV LQWHJU
VHUYH LWV FXVWRPHUV¶ QHHGV WKHUHE\ KHOSLQJ LWV FXVWRPHU
DQG FRPSHWLWLYHQHVVLJDQWLFDQWVYDOXHUDWKURXJK GHYHORSPHQV

7KH FXUUHQW ZDUHKRXVLQJ SURMHFW GHYHORSPHQW PRGHO RI WK
UHVHDUFKHV DQG LQYHVWLJDWHV VHOHFWV DQG DFTXLUHV WKH O
HQJDJLQJPDUNHWLQJFWVERQVWUXFWLRQRFRQVWUXFWLRQRDQGWKH SDUN
WKH VXSSRUWLQJ ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHV DQG
GHGLFDWHG DVVHW PDQDJHPHQW WHDP DRGHOLYHUHRXWKLFVDERQVXSSO
PDUNHWV LQ &KLQD KDV FRQWLQXHG JURZWHQ LWV WHQ 7RUFRXS VWU

*U R X S ¶ V V W U D W H J \ L V W R S X U V X H V F D U F H O D Q G U H V W R U H V W U X F W X U H G L Q F
H Q W H U S U L V H V L Q W K H O D U J H V W P D U N H W V L Q W K H U H J L R Q
G H Y H O R S P H Q W S U R M H F W V W K U R X J K W K U H H O H Y H U V H Q G H G W K U H H P H G L X P D Q G O D U J H P H Q W Z L W K U H Q H R Z Q H G S U R S H U W L H V K H O G
P D Q D J H P H Q W Z L W K U H Q H R Z Q H G S U R S H U W L H V D Q G D F K L H Y H G D Q
R I S H U F H Q W

7 K H * U R X S ¶ V D Q G P D Q D J H V D V L P L O D U E X V L Q H V P R G H O W K U R X J K W K H L * U R X S ¶ V
S R U W I R O L R F R Q W D L Q V F R P S O H W H G D Q G L Y H V W P H Q W S U R S H U W L H V
R L W V R J L V W L F D Q G V X S S O \ F K D L Q R S H U D W L R Q V W K U R X J K W K H
S H U L R G V R I 'H F H P E H U

7 K H I R O O R Z L Q J W D E O H V H W V D U H W K H R X W L Q H D V * U R X S ¶ V S U R S H U W L H V R Q G H F H P E H U D Q G

	For the year ended 31 December		
	2021	2022	2023
	(GFA million sq. m)		
Warehousing assets portfolio			
Completed and stabilised properties[1]	33.3	37.1	36.8
Completed and pre-stabilised properties[2]	3.7	1.2	3.5
Properties under development	6.8	5.9	4.9
Land reserves	4.8	5.4	3.6

Notes:

(1) "Completed and stabilised"

Item	For the year ended 31 December		
	2021	2022	2023
	(million sq. m)		
Total GFA (completed and stabilised properties)	33.3	37.1	36.8
GFA available for lease (completed and stabilised properties)	33.0	36.6	36.3
Actual GFA under lease (completed and stabilised properties)	29.4	32.2	32.5

: K H W K H * U R X S D F T X L U H V O D Q G R U H [L V W L Q J O R J L V W L F V D Q G Z D U H K
L Q Y H V W P H Q W D U H D : K H Q W K H * U R X S D F T X L U H V O D Q G I U R P W K H J R
O H Y H O R I S D U N V L Q W K H W H D R H D U H W X Q H W U R Q W H W E X G U H W D Q G I X V
O R F D O J R Y H U Q P H Q W V Z L O O F R Q V L G H U W K H L Q W H J U D Q Y H V R U D Q
H [W H Q W W K H S R W H Q W L D O L Q Y H V W R U F R X O G F R Q W U L E X W H W R W K

Cut-off Date	Region in PRC	Estimated GFA	Site Area
		(million sq. m.)	
31 December 2023	Northern	2.0	2.9
	Eastern	0.4	0.5
	Southern	0.4	0.4
	Midwest	0.8	1.2
Total		3.6	5.1

Notes:

(1) "Northern" refers to the provinces or municipalities such as Beijing, Tianjin, Liaoning, Heilongjiang, Jilin and Hebei;

(2) "Eastern" refers to the provinces or municipalities such as Shandong, Shanghai, Jiangsu, Zhejiang and Anhui;

(3) "Southern" refers to the provinces such as Guangdong, Guangxi and Fujian;

(4) "Midwest" refers to the provinces or municipalities such as Sichuan, Shaanxi, Chongqing, Hunan, Henan, Hubei, Guizhou, and

7KH *URXS ZRXOG XVXDOO\ FRPSOHWH WKH SODQQLQJ DQG GHVLJ
WKUHH WR VL[PRQWKV DIWHU DFTXLULQJ D SLHFH RI ODQG E\ ELG
FRQVWUXFWLRQ DQG GHYHORSPHQW ZRUNV RQ WKH SURMHFW VXEVHTXHQW WR
NHHSV D OLVW RIDSSURSULDWHZRUNSURJUDPPHVWRULSHQZDQGHUUDIWHG EDVHG RQ SDVW
VHOHFWV WKH FRQWUDFWRU IRU HDFK QHZ SURMHFW E\ WHQGHU

:DUHKRXVHV EXLOWFEDWWKHRQWRXSDQGGDUG ZDUHKRXVHV DQG FXV
VWDQGDUG ZDUHKRXVHGRFNJRQHFRQZDUHKRXVHZKLFK ORDGV WKH
RQH VLGH DQG WKHQ WUDQVSRUWV WKH LWHPV RXW IURP WKH RWK
IRU OWRQJP FXVWRPHUV ZLWK VSHFLILF VWRUDDUGZDHTKRXVHQWKH&
ZDUHKRXVH IHDWXUHV PRUH VSHFLILFDWLRQV GRQGPEQKWJHRUWGHVJK
WKDQ WKDW RI WKH VWDQGDUG ZDUHKRXVHV DQG WKHUHIRUH WKH
WKHWDQGDUG ZDUHKRXVHV

7KH IROORZLQJ WDEOH VXPPDUL]HV WKH RSHUDWLQJ GDWD RI*URXS'HFHPEHU DQG

	As at or for the year ended 31 December		
	2021	2022	2023
	(million sq. m.)		

7KH DYHUDJH FRQVWUXFWLRQ SHULRG RI D QHZ GDWD FHQWUH LV XVXDOO\ DW OHDVW WZHOYH PRQWKV EXW WKH DFWXDO FRQVWUXFWLRQ SHULRG PD\ YDU\ GHSHQGLQJ RQ WKH VSHFLILF FLUFXPVWDQFHV RI WKH SURMHFW IXQGV LV DVVHVVHG DQG GHWHUPLQHG E\ WKH PDQDJHPHQW RI WKH *URXS EDVHG RQ WKH VFDOH RI WKH SURMHFW DQG WKH UHPDLQLQJ IHH ZLOO EH SDLG WR WKH 0DQDJHU LQ DFFRUGDQFH ZLWK WKH 0DQDJHPHQW &RQWUDFW 7KH 0DQDJHU LV HQWLWOHG WR UHFHLYH D PRQWKO\ PDQDJHPHQW IHH RI RQH WZHOIWK RI RI WKH *URXS¶V DXGLWHG FRQVROLGDWHG QHW DVVHWV YDOXH DV DW WKH ODVW GD\ RI WKH SUHYLRXV PRQWK DIWHU DGMXVWPHQW IRU FHUWDLQ QRQUHFXUULQJ LWHPV DQG DGGLQJ EDFN WKH PDQDJHPHQW IHH SDLG WR WKH 0DQDJHU LQ UHVSHFW RI WKH SHULRG 7KH 0DQDJHU LV DOVR HQWLWOHG WR UHFHLYH D SHUFHQWDJH RI WKH SURMHFW FRPSDQ\¶V DQQXDO QHW SURILW LQ H[FHVV RI D FHUWDLQ WKUHVKROG DV SHUIRUPDQFH IHH

)RU DFTXLUHG ZDUHKRXVH GHYHORSPHQWV WKH *URXS LQ PRVW LQ DFFRUGLQJ WR WKH VSHFLILFDWLRQV RI LWV GRZQVWUHDP WHQDQ

7KH *URXS RZQV DQG PDQDJHV PRGHUQ ORJLVWLFV DQG ZDUHKRXV IRXQGDWLRQ RI LWV EXVLQHVV PRGHO $V SDUW RI LWV PRGHUQ ZD PDQDJHPHQW DVVHW DQDO\VLV DQG VWUDWHJLF SODQQLQJ WKH *URXS FRQGXFWV UHJXODU PDUNHW UHVHDUFK 7KH PRGHUQ ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHV GHYHORSH KLJK FHLOLQJV ZLGH FROXPQ VSDFLQJ KLJK ORDG GUDIW DQG VSD DV ZHOO DV HQKDQFHG VDIHW\ DQG VHFXULW\ 7KH *URXS¶V PXOWLSOH WHQDQWV RU SURYLGH D SODWIRUP HQDEOLQJ WHQDQWV WR UHGXFH LWV FXVWRPHUV¶ FRVWV DQG LPSURYH LWV RSHUDWLRQDO VHOHFWLRQ FRQVWUXFWLRQ DQG PDQDJHPHQW RI GHGLFDWHG IDF 7KH *URXS RYHUVHHV PDQDJHPHQW RI LWV SURMHFW GHYHORSPHQW DQG FRQVWUXFWLRQ DFWLYLWLHV DQG HQVXUHV WKDW WKH DVSHFWV RI FRQVWUXFWLRQ DQG PDQDJHPHQW ZKHUH DSSURSULDW

%HORZ LV D OLVW RI WKH PDLQ RQJRLQJ SURMHFWV RI WKH *URXS

Project title	Construction period[1]	Planned total investment amount	Invested amoun	Sources of funds
		(RMB million)	(RMB million)	
GLP Longquanyi SouthIII Logistics Park.....	December 2023 to December 2024	343.6	109.8	21% own funds and 79% borrowings
GLP Shunyi Yangzhen Logistics Park[2].....	December 2021 to June 2024	313.0	290.0	72% own funds and 28% borrowings
GLP Shenzhen Longhua Logistics Park.....	December 2021 to August 2024	866.8	718.0	57% own funds and 43% borrowings
Pulin Zhichuang Lvgu Industrial Park.....	June 2023 to November 2024	1,257.1	1,009.2	46% own funds and 54 borrowing
Zhengzhou Hi-tech Logistics Park[2].....	June 2022 to May 2024	498.6	469.9	51% own funds and 49% borrowings
Total		3,279.1	2,596.9	

Note:

(1) The starting date of the construction period refers to the starting date of design, namely the date on which the design instead of the actual physic commencement date of construction; and the ending date of the construction period refers to the date on which the project is completed and put into use

(2) As at the date of this Offering Circular, construction of GLP Shunyi Yangzhen Logistics Park is in progress.

(3) In May 2024, construction of Zhengzhou Hi-tech Logistics Park has been completed.

*/3 /RQJTXDQ\L,,/RRJLVWLFV 3DUN

7KH SURMHFW LV ORFDWHG LQ /RQJTXDQ\L 'LVWULFW RXWKHDVW RI 6L
OD\HDU HKRX\HU RXWHU RXSRKHGSHU FRHQWKH VKWDKHHVSULQMHFW 7KH WRWDO LQYH
LWVWLPHRWHG PLOOLRQ 50% PLOOLRQ IEZLQQLQJKSHUFRPHXSW KDV RE
UHOHYDQW OLFHQVHV LQ FRPSOLDQFHJKZLWKRQHVOHYXFKWDQDOLQGQEH
SODQQLQJ SHUPLWV DQG FRQVWUXFWLRQ SHUPLWV

$VDW'HFHPEHUWKH SURMHFW KDV FRP5OHWHPLGODQGZYHQSWPWEQG WR
FRPSOEH\WHSPEHU

*/3 6KXQ\L <DQJ]KVHQLFV 3DUN

7KH SURMHFW LV ORFDWHG LQ <DQJ]KHQ 6KXQ\L 'LVWUULFW%HYLMLQ
7KHURXS KRSOHGVFRHQWKH SURMHFW 7KH WRWDOLQYHVWPHQW EH 5MO
PLOOLZRQ 50%LOOEHRQJ WKHR*ZRXZKHG SURMHFW KDV REWDLQHG UH
FRPSOLDQFH ZLWK UHOHYDQW QDWLRQDO ODZV DQG UHJXODWLRQV
FRQVWUXFWLRQ SHUPLWV

$VDW'HFHPEHU WKH SURMHFWDQKDYHFRPSHQHWHGOOLRQV DHQGHFWHG WR
EHFRPSOEH\VXHQGH

*/3 6KHQJHQ /RQJKXD /RJLVWLFV 3DUN

7KH SURMHFW LV ORFDWHG LQ &RQJXKXQJ&RXQW\ &LW\Y LQFHKSHQHKHQR X
FHQW WKH VKDUHV LQ WKH SURMHFW 7KH\SHUZDHFWKSXOHQW DQRG FRR
VWRUH\ RIILFH EXLOGLQJV 7KH WRWDO LQYHVWPHQW RI WKH SU
50% PLOOLRQ EHLQJ WKHS*UURMKSHPW RZDQ IRXQGDLQHG UHOHYDQW O
UHOHYDQW QDWLRQDO ODZV DQG UHJXODWLRQV VXFK DV ODQG F
SHUPLWV

$V DW 'HFHPEWHKH SURMHFW KDV FRP6OHWHPLGODQGQ YLWVLWP HQSWHRW
EH FRPSOHWHG E\ $XJXVW

3XO=LKQL FKXYDJXJ ,QGXVWULDO 3DUN

7KH SURMHFW6LWXRDQFDWHQG[LQQ 'LVWULFW 6KDQIRXGLS 7KH SURMHI

$V DW 'HFHPEHU KH SURMHFW KDV FRPSOHWHG ODQGVFDSH UHVWRUDWLRQ DQG WUHH SODQWLQJ RQ
=KHQJ]KRX[HFKL /RJLVWLFV 3DUN\EHHQ FRPSOHWHG

7KH *URXS QFKHLGLQJWDVDVWEXLOWDQGRSHUDWHV LQ DLPLQJ WR GHOLYHU HII
LQIUDVWUXFWXUH VDIHO\ DQG VHFXUHO\ WR*UHDWHU&KLQD DQG EHWZHHQ&KLQD DQG
D 0: GDWD FHQWUH FDPSXV LQ&KDQJQLQJ=RQH -LDQJVX 3U
RI 6KDQJKDL WRWDO VWRUHURRP HFXHV RPHUV

7KH *URXS UHSRUWHG RQH RI WKH HDUOLHVW RSHUDWRUV RI&KLQD¶V
'HFHPEHU WKH SURMHFW FRPSULVHG ,7 7KLV DFTXLVLWLRQ RSHU
SURMHFWV LQ &KLQD¶V HZLWLKFH FDSDFLW\ DQG IXUWKHU GHYHORSPHQ

7KH *URXS LV IRFXVHG RQ FWDKUHERQUHQWWRRQWKURRXJKORRXW LWV EXV
LQYHVWPHQW FULWHULD DVVHW PDQDJHPHQW FRQVWUXFWLRQ VV
7KH *URXS FRQWLQXHV WRQ HDFWMPLHQWV GEHVHOHFWLDQG LDXWHGV
SKRWRYROWDLF HQHUJ\ JHQHUDWLRQ FHQWUDOLVHG GSHGRHWRQYURJOWD
VWRUHROXWPLRQW WRHDQ HWQKHUDXGKRXQG3&5&

7KH *URXS KDV ODXQFKHG D QXPEHU RI LQLWLDWLYHV WR SXUVXH
VRODU RQ LWV JOREDO ORJLVWLFV UHDO HVWDWHRUSWKWIRHOLR HZLG
'HFHPEHUWKH *URXSFKDXOD WHG D UHQHZDEOH HQHUJ\[20]JHQHUDWLQ

7KH *URXS SUHYLRXVO\ PDQDJHGSRVHOHGXQQHYWKLVVHQWV SDUW RI
PDQDJHPHQW EXVLQHVV ,Q DV SDUW*RUXSW¶DVQ VLQWXHQGO UH
PDQDJHPHQW EXVZLKQLFKV LWRW*&HIXQG PRQ3HPHQW WKSHO DGVVRPDO V
VWLOOLQWWWDHQWHJDBQWHJDXKRDVHG WKH XQGHUO\LQJDSLRSHUWLGDSHQWHU
FRQWLQXHWRO\DPDQDJLQJ WKH XQGHUO\LQJ DVVHWV

$VRQH RI WKH PHDQVLQRQFWKHJ*URXSXQG LWWW FDXWWDLVHHVSHQYGHLWWXPH
YHKLFOHV WR VWUDWHJLFDOO\ UHF\FOHWHRHVWLDWHDBL*QKQ&QGDWHVWV ZK
DWWKH GHGLPDQWBJHPXQGW SODDQRULRQ3O\ UHVSQVLEOH IRU VH
DQG DQDJHPHQW RI IXQG YHKLFOHV DV ZHOO WWK HPDXQLGHUULQHVWP
WUDQVIHUUHG LQBRRO WDKEBYLWKBXLQGQVXUWKHUDQFH RI WKH *URXS¶V
FDSLWDO WKHKE DKVHRXSWYHQWRQLG VWKHEWUDO\VEDWHG LRQY WKWPHQW FULW
DJUHHG ZLWKH*UBRXSY RO YRHPWKQBQ YHVWPHQWVOVBRXQGHVQLQWHQDQFH
DQG PDQDJHPXQGGWUBOVWBWHV

)ROORZLQJHDFWXLQRI WKH IXQG PDQD*RPZHQWBXVLQHVWDDNHQWKEOURO
SDUWQHWKHYHKQF%MWKHUH DUH FLUFXPVWDQFHWKHUR*PBXSPHWDRQWL
VLJQLILFDWEHLWWVWF IXQG YHKLFOHVQGV PD\OHPHQWHGRSWQXHUR FF
XQGHUO\LQJ DVVHWV

7KH IROORZLQJ LV D VXPPDU\FRXUWKRQSORLQFLGSWHGIXQGWKWH *UF

&/) ,,

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[19] Total capacity includes both delivered and flight projects.

[20] Total capacity includes both delivered and flight projects.

,Q XO\ &/))XQG ,, ZDV HVWDEOLVKHG ZLWK DVVHWV RI RYHU PDQ
,,LV H[SHFWHG WR HQG LWV RSHUDWLRQV LQ WKH JURZWK RSSRUWXQLWLHV LQ WHUPV
&KLQD

&,) 9,

,Q 1RYHPEHU &KLQD ,QF RSHQHG)XQGZDV HVWDEOLVKHG ZLWK DVVHWV XQGHU PDQ
50% ELOOLRQ &,) 9, ZDV VHHGHG ZLWK VWDEOLQLWHKGVRRWHUQ
VHUYH WRS FRUSRUDWH UHVHDUFKHUV LQ JHLVWLFV DQG UHWDLO VHFWRUV ZLWK D
7KH SRUWIROLR RI DVVHWV HQHUJHUHDTXLQJLSURSRUWLRQDWHO\ VWU
JHQHUDWLRQ

&,) ;,,

2Q -DQXDU\ WUKHHWKRXSZLWDKE*&3&KLQD ,QF,PZHLWKSODQQHG
WRWDO DVVHWVDQGVHXQGHUPDQDJHPURI DSSUER[LPDWHO\ 50%

7KH *URXS KROGV VXEVWDQWLDOO\ DOWHUPLWDQSURSHUWLHVLQ
&KLQHVH JRYHUQPHQW WKDW FRQYH\ WKH ULJKW WR GHULYH SURI
ULJKWV

'XH WR WKH JURZWK WKDW LW DQWLFLSDWHV LQ WKH &KLQHVH OI
JHQHUDOO\ SUHIHUV OHDVHV ZLWK VKRUWHU WHUPV LQ &KLQD WK
W\SLFDOO\HKDVRHDQHWHUPV ZLWK D ZHLJKWHG DYHUDJH RULJLQDO
RI \HDUV DW 'HFHPEHU 'HFHPEHUSSUR[LPDWHOHQWK H¶UOHDVHV
LQ &KLQD KDYH D WHUP RI RQH \HDU\HKDQW\HDUVUPDSSUR[LPDWHO\
DSSUR[LPDWHO\ D WHUP RI ILYH WRSHU\HDUVDQGDSSUR[LPDWH
\HDUV ZKLOH DSSOHUFHQWDJHRI VKRUWOHVV WKDQ RQH \HDU RU VH
EXLOGXS DUUDQJHPHQWV JHQHUDOO\ KDYH ORQJHU WHUPV DQG
FXVWRPLVDWLRQ UHTXLUHVDQG E'HWKHPEHKXVWRPHUV WKHR*URXSHG DQ
VWDELOLVHG SURSHUWLHV LQ&KLQDSZLWKRQLPDWHSD\PHQWV I
&KLQD 3RUWIROLR DUH GHQRPLQDWHG LQ 5HQPLQEL

7KH *URXS FRRSHUDWHV WKURXJKH ZRUOGZLGH SURFXUHPHQW
PXOWLQDWLRQDO FRUSRUDWLRQV DQG GRPHVWLF ODUJH FRUSRUDW
FXVWRPHUV DUH PDLQWDLQHG \\ORRRPVWUKEWG PDQXIDFWXULQJ DQG PHG
RI ZKLFK DNQRZOHGJDQGV LQ WKH LQGXVWULHV

/HYHUDJLQJ R¶Q HWFKQRORJ\ VFDOH DQG QHWZRUNLQJ HIIHFW RI LW
WKH *URXS KDV GHYHORSHG D GLYHUVH ZDUHKWHQDLQRVFYXDWLRQV
LQGXVWULHV 'HFHPEHU

7KH &RPSDQ\ LV WKH KRQVZDQUHKRPSVDQ\JRSUR3HFW DVVHWV DQG EX
&KLQD DQG RZQV OHDGLQJ PRGHUQ ZDQUHKRXWHUORJLVWLFHV WRWWHDO
RI ZDUHKRXVH SURSRQWWKHV OWKHHVRUWPXSSGHVLQGEJLVWLFV DQG ZDUH

LQ &KLQD :KLOHRQWKWHUKHURXSJLVWRWPSRUGHYLQGHURJLVWLFV DQG ZDUHK
&KLQD LW IDFHV FRPSHWLWLRQ IURP RWKHU ODUJH GRPHVWLF DQG
RI RWKHU ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHVRDPQGPDZLWKLQ
SOD\HUV 7KH *URXS FRPSHWHV ZLWK RWKHU SURYLGHUV IRU ORFD
IDFLOLWLHV ,Q &KLQD SRWHQWLDOXSSUHGXFWVPDUNHWVPDOHDYLFRPSD
ODUJHRZQHGVHORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLWLHV SURYLGH
SURYLGHUV JHQHUDOO\ GR QRW SURYLGH PRGHUQ IDFLOLWLHV SR
*URXS RQ WKH EDVLV RI UHQW LI WKH\ GR QRW QHHGDFLKLHLWRKGVHUQ

7KH *URXS EHOLHYHV WKDW LQ FKRRVLQJ D SURYLGHUHEXRVWRRPHUVWL
IRFXV SULPDULO\ RQ WKQHHWZ]RURNDQGURQLGKH TXDOLW\ RI WKH VH
JHQHUDOO\ GHWHUPLQHG E\ WKH PDUNHW 7KH&RWZRSDQNEDQGLWYKHV*
IRFXV RQ FXVWRPHU VHUYLFH DZLQWRQDEVLQJJDGWVDLQRWRQ
QHWZRUNV DOORZ LV^q •2„ N€q •2„ N¿9–ñ Ta`` 0

	Number of employees
30-year-old or below.....	
30 to 40-year-old	
40 to 50-year-old	
50-year-old or DERYH «	
Total.....	

7KH &RPSDQ\OLHYHV WKDW LWV LQVXUDQFH SUDFWLFH LV LQ OLQH Z
SUDFWLFH L*QUR&KHQDLHYHV WKDW WKDLQVXUHG*UFRXSRYHUDJH LQ &KLQD LV F
DQG DSSURSULDWH IRU D ORJLVWLFV DQG ZDUHKRXVLQJ IDFLOLW\
*URXSLQVXUDQFH FRYHUDJH VKRXOG DQ XQLQVXUHG ORVV RU D O
FRXOGWGHDVHLWDO LQYHVWHGVKDQWLFLSDUHSGHUWKHUHQHUHYHQXHH WKH
UHPDLQV OLDEOH IRU DQ\ PRUWJDJH LQGHEWHGQHVV RU RWKHU IL
$Q\ VXFK ORVV FRXOG KDYH D PDWHULDQDGYHUVRQHLWHRQDQGWKHH
WR WKH H[WHQW WKDW WKLV GLVUXSWV WKH QRUPDO)DFWRHDWLRQ
*URXSLQVXUDQFH GRHV´QRW LQFOXGH DOO SRWHQWLDO

7KH *URXSLQVXUDQFH SROLFLHV LQ &KLQD FRYHU ORVV RI UHQWDO
GDPDJH WR SURSHUW\ DQG GHYHORSPHQW VLWHV EXVLQHVV LQWH
SURSHUW\ GDPDJH DQG RU SHUVRQDO LQMXU\ 7KH *URXS DOVR PD
LQ DFFRUGDQFH ZLWK DSSOLFDEOH OD[Z FRPSHQVDWLRQ
LQVXUDQFH DV ZHOO DV JURXS KRSLWDOLVDWLRQ WKDWUDQHHQ
WKHVH LQVXUDQFH SROLFLHV LQFOXGLQJ DFWV RI ZDU HQYLURQP
UHJXODWLRQV

7KH *URXS LV IURP WLPH WR WLPH LQYROYHG LQ FHUWDLQ OHJDO S
FRXUVH RI LWV EXVLQHVV $V DWQWRKHH GRDWHKHRIPWRKEWUDEWLQWR&*UU
DQ\ OHJDO RU DGPLQLVWUDWLYH SURFHHGLQJWKHL*WKRSDQFKDDYH D
FRQGLWLRQ RU UHVXOWV RI RSHUDWLRQV QRU LV WKH *URXS DZDU

7KH *URXSHUDWLRQV DUH VXEMHFW WR UHJXODWU\ UHTXLUHPHQV
HQYLURQPKHHQRQWDWKDUHHOWHG ODZV DQG UHJXODWLRQV LQ HDFK RI WK

7KH *URXS EHOLHYHV WKDW LW LV LQ FRPSOLDQFH LQ DOO PDWHU
LQ &KLQD $V DW WKH GDWH RI WKLV 2IIHULQJ &LUFXODUWHGQRFFLGW
LQYROYLQJ WKH &RLPSVDQ\XEVLGLDULHV KDV RFFXUUHG 7KH *URXS
HQYLURQPHQWDOUHKHDWHGK SRUURFHHGLQJV DQ\ LPHPEWKHLR\DWXSQVLJKPW
EHFRPH D SDUW\

$V WKH *URXS GRHV QRW XQGHUWDNH FRQVWUXFWLRQ ZRUN IRU
LQLWLDWLYHV LWVHOI WKH UHVSRQVLELOLW\ IRU¶HQJLQHHULQJ
SURMHFW RU DVVHW HQKDQFHPHQW ZRUNVLWHV JHQHUDOO\ UHVWV

$OO WUDGHPDUNV DUH WKH SURSHUW\ RI WKHLU UHVSHFWLYH
WKHLU UHVSHFWLYH RZQHUV 7KH *URXS LV QRW DIILOLDWHG

$V DW WKH GDWH RI WKLV 2IIHULQJ &LUFXODU WKHUH DUH
ULJKWV RI RWKHU SHUVRQV LQ FRQQHFWLRQ ZLWK WKH

The following table sets out information in respect of the Directors of the Issuer as at the date of this Offering Circular.

Name	Position
Ming Z. Mei (µ >)	Director
Teresa Zhuge (A(:‹ ·MŒ)	Director
Higashi Michihiro (¡ é#™)	Director
1 L F K R K R O D V R Q . 4Ö6 F: Å	' L U H F W R U
Mark Tan (L£#§7-)	Director
Fenglei Fang (éNØM)	Director

Mr. Mei, Ming Z. (» D) has been a director of the Company since June 2014. He is also the founder and the chief executive officer of GLP. Mr. Mei sits on the board of GLP and holds a Master of Business Administration from the Kellogg School of Management at Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology. Mr. Mei received his Bachelor of Science in Finance from Indiana University School of Business.

Ms. Zhuge, Teresa (A.:' ½ M') has been a director of the Company since June 2014. She is also the & K D L U P D Q R I W & R P S D Q \ ¶ V [H F X W L Y H & R P P L W W H H at GCP. She is also the Vice President and Chief Executive Officer of GLP China. Ms. Zhuge holds a Master of Business Administration degree from the Kellogg School of Management at Northwestern University and a Master of Science degree in Finance from the Hong Kong University of Science and Technology. Ms. Zhuge was awarded Young Entrepreneur of the Year by Ernst & Young in 2015. Ms. Zhuge was also

Mr. Tan , Mark (LC#-73) has been a director of the Company since May 2018. He is also General Counsel of GLP. Mr. Tan is responsible for overseeing all legal matters, including regulatory compliance, contract negotiations on fund management transactions, acquisitions and disposals and other significant transactions. Prior to joining GLP, Mr. Tan worked at Shearman & Sterling LLP in Singapore, where he advised underwriters, issuers and private equity sponsors on debt and equity offerings. He also previously worked at Goldman Sachs and Sullivan & Cromwell LLP. Mr. Tan received his Juris Doctor with Honours from the University of Toronto and Bachelor of Mathematics in Computer Science, Economics Minor from the University of Waterloo. He is currently based in Singapore.

Mr. Fang, Fenglei (ïNÞM-) has been a director of the Company since June 2014. He is the founder and chairman of the Hopu Investment Management, and the director of Goldman Sachs Gao Hua Securities. He served as the vice president of China International Capital Corporation Ltd, the president of China International Capital Corporation (Hong Kong), chief executive officer of BOC International Holdings Limited, and chief executive officer of ICEA Financial Holdings Limited. Mr. Fang received his Bachelor's degree in Chinese Language and Literature and Economics from Sun Yat-sen University.

The following is a general description of certain Hong Kong tax consequences relating to the Notes. It is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of the Notes should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of the Notes, including such possible consequences under the laws of their country of citizenship, residence or domicile.

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in

WKH 5HILQHGVRXWKEHHGJQQFRPH ([HPSWLRQ VRXUFHGSQHFRPHGHDUQLQJ
GLYLGHQGV GLVSRVDO JDLQ RU LQWHOOHFWXDO SURSHUW\ LQFR
.RQJ DFFUXHG WR D PHQEHUQWHUSXUWHQJDUROXS L H 01(HQWL
SURIHVVLRQ RU EXVLQHVV LQ +RQJ .RQJ LV WR EH UHJDUGHG DV D
WR SURILWV WD[L H GHHPHG RQVKRH DQGGWD[EOWDLQHLUFWP

,Q FHUWDLQ FLUFXPVWDQFHV +RQJ .RQJ SURILWV WD[H[HPSWLRQV
,QYHVWRUV DUH DGYLVHG WHRVFRQVXOWWKHLU WRZQ DSSOLFDELOLW
LQGLYLGXDO SRVLWLRQ

6WDPS GXW\ ZLOO QRW EH SD\DEOHRQGWHLVVXH RI %HDUHU 1RW

(i) VXFK %HDUHU 1RWHV DUH GHQRPLQDWHG LQ D FXUUHQF\ RWKH
UHSD\DEOH LQ DQ\ FLUFXPVWDQFHV LQ WKH FXUUHQF\ RI +RQJ

(ii) VXFK %HDUHU 1RWHV FRQVWLWXWH ORDQ FDSLWDO DV GHILQH
/DZV RI +RQJ ³RQ´ WKH

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.

1R VWDPS GXW\ LV SD\DEOH RQ WKH LVVXH RI WKH 5HJLVWHUHG 1R
5HJLVWHUHG 1RWHV LI WKH UHOHYDQW WUDQVIHU LV UHTXLUHG WR
QRW EH SD\DEOH RQLDQ\WHUSURYLGHGRWKHUZLVH WKDW HLWKHU

(a) VXFK 5HJLVWHUHG 1RWHV DUH GHQRPLQDWHG LQ D FXUUHQF\ R
UHSD\DEOH LQ DQ\ FLUFXPVWDQFH LQ WKH FXUUHQF\ RI +RQJ .

(b) VXFK 5HJLVWHUHG 1RWHV FRQVWLWXWH ORDQ FDSLWDO DV GH

If stamp duty is payable in respect of the transfer of Registered Notes, 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.

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a ³foreign financial institution´ may be required to withhold on certain payments it makes (³foreign 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 have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (³IGAs´), 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 Notes such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on Notes 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 Notes such as the Notes, such withholding would not apply prior to the date that is two years after the date

of the final regulations defining "foreign passthru payments" and Notes issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

)$7&$,6 3$57,&8/$5/< &203/(; $1' ,76 $33/,&$7,21 72 7+(,668(5 7+(1
7+(127(+2/'(56 ,6 81&(57$,1 $7 7+,6 7,0(($&+ 127(+2/'(5 6+28/' &216
2:1 7$; $'9,6(56 72 2%7$,1 $ 025('(7$,/(' (;3/$1$7,21 2))$7&$ $1' 72 /(
+2:)$7&$ 0,*+7 $)) ((&7 $&+ 127(+2/'(5 ,1 ,76 3$57,&8/$5 &,5&8067$1&(

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream or the CMU currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer, the Arranger or any Dealer, the Trustee or any Agent 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 or 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 such beneficial ownership interests.

Euroclear and Clearstream each holds securities for participating organisations 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.

(XURFOHDU DQG &OHDUVWUHDP SDUWLFLSDQWV DUH GHVLJQHG WR EH QRQ LQFOX EURNHUV DQG GHDOHUV EDQNV WUXVW FRPSDQLHV DQG FOHDUL &OHDUVWUHDP LV DYDLODEOH WR DSSURSULDWH UHJXODWHG HQWLWLHV LQFOXGLQJ EDQNV EURNHUV GHDOHUV WUXVW FRPSDQLHV DQG FOHDULQJ DFFRXQW KROGHU RI HLWKHU V\VWHP

'LVWULEXWLRQV RI SULQFLSDO GLVWULEXWLRQV EH FUHGLWHG WR WKH (XURFOHDU RU &OHDUVWUHDP ZLOO EH FUHGLWHG WR WKH (XURFOHDU RU &OHDUVWUHDP SDUWLFLSDQW WR ZKRVH DFFRXQW WKH

The CMU is a central depositary service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service ("CMU Members") of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together, "CMU Instruments") which are specified in the CMU Manual as capable of being held within the CMU.

7KH &08 LV RQO\ DYDLODEOH WR &08 0HPEHUV DQG E\ D &08 0HPEHU RU E\ D SHUVRQ 0HPEHU DFWV DV DJHQW IRU WKH SXUSRVHV RI ORGJLQJ &08 1RWHV LV RSHQ WR DOO LQVWLWXWLRQV UHJXODWHG E\ WKH +RQJ .RQJ &RPPLVVLRQ ,QVXUDQFH $XWKRULW\ RU 0DQGDWRU\ 3URYLGHQW) IXOO UDQJH RI &08 VHUYLFHV SOHDVH UHIHU WR WKH &08 0

7KH &08 KDV DQ LQFRPH GLVWULEXWLRQ VHUYLFH ZKLFK LV D VHUY RI LQWHUHVW FRXSRQ RU UHGHPSWLRQ SURFHHGV RU RWKHU GLVWULEXWLRQV WR WKH SHUVRQ V VKRZQ LQ WKH UHFRUGV RI WKH &08 &08 KDV D FRUSRUDWH DFWLRQ SODWIRUP ZKLFK DOORZV DQ DQQRXQFHPHQW QRWLILFDWLRQ RI D FRUSRUDWH DFWLRQ HYHQW RU GHWDLOV SOHDVH UHIHU WR WKH &08 0DQXDO

An investor holding an interest through an account with either Euroclear or Clearstream, in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.

The Arranger has, in an amended and restated dealer agreement dated 22 June 2021 as amended and/or supplemented from time to time (the "Dealer Agreement"), agreed with the Issuer a basis on which any dealer to be appointed by the Issuer in respect of a single Tranche or the whole Programme may from time to time

DQG FRQVHQWHG WR WKH FROOHFWLRQ GLVFORVXUH XVH DQG WU
WKLUG SDUWLHV DV PD\ EH UHTXLUHG E\ WKH 6)& &RGH LQFOXGLQ
WKLUG SDUWLHV DV PD\ EH UHTXLUHG E\ WKH 6)& &RGH LQFOXGLQ
ERRNEXLOGLQJ SURFHVV IRU WKH UHOHYDQW &0, 2IIHULQJ &0,V W
DUH UHPLQGHG WKDW VXFK LQIRUPDWLRQ VKRXOG EH OHYHUDJHG LQ

(c))HZHU WKDQ DWRDHQUHWHLPH WR IHZHU WKDQ QDWXUDO RU O
LQYHVWRUV DV GHILQHG LQ WKH 3URVSHFWXV 'LUHFWLYH VXE
'HDOHU RU 'HDOHUV QRPLQDWHG E\ WKH ,VVXHU IRU DQ\ VXFK

(d) 2WKHU H[HPSWLRQ WR WKH SXEOLVKLQJ RU OLVWLQJ LQ DQ\ RWKHU FLUFXPVWDQFHV IDOOL
'LUHFWLYH

QR VXFK RIIHU RI 1RWHV UHIHUUHG WR LQ E WR G DERY
SXEOLVK D SURVSHFWXV SXUVXDQW WR $UWLFOH RI WKH 3URVSH
$UWLFOH RI WKH 3URVSHFWXV 'LUHFWLYH

For the purposes of this provision, the expression "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 the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

3URKLELWLRQ RI 6DOHV WR 8. 5HWDLO ,QYHVWRUV

8QOHVV WKH 3ULFLQJ 6XSSOHPHQW3UHKULEVWHRQ RI DQ 1RWHV 8.5H
D¥1R$SSOL´FDEOHFK 'HDOHU KDV UHSUHVHQWHG DQG DJUHHG DQG H
3URJUDPPH ZLOO EH UHTXLUHG WR UHSUHVHQW DQG DJUHH WKDW
ZLOO QRW RIIHU VHOO RU RWKHZLVH PDNH DYDLODEOH WR DQ\ 1RWHV
WKLV 2IIHULQJ &LUFXODU DV FRPSOHWHG E\ WKH 3ULFLQJ 6XSSOHI
8QLWHG .LQJGRP)RU WKH SXUSRVHV RI WKLV SURYLVLRQ DQG
RQH RU PRUH RI WKH IROORZLQJ

(a) D UHWDLO FOLHQW DV GHILQHG LQ SRLQW RI $UWLFOH RI
GRPHVWLF ODZ E\ YLUWXH RI WKH (XU3RSHDQ RQ:LWKGUDZ

(b) D FXVWRPHU ZLWKLQ WKH PHDQLQJ RI WKH SURYLVLRQV RI WKH
WKH)60$ WR LPSOHPHQW 'LUHFWLYH (8 ZKHUH WKDW
SURIHVVLRQDO FOLHQW DV GHILQHG LQ 3RLQW 1R RI $UWLFOH
SDUW RI GRPHVWLF ODZ E\ YLUWXH RI WKH (:$

,I WKH 3ULFLQJ 6XSSOHPHQW LQ3UHVSHFWLRQDQ\ 1RWHV DW8F.L5LH
31RW $SSOLFDEOH'HDOHU KDV UHSUHVHQWHG DQG DJUHHG DQG H
3URJUDPPH ZLOO EH UHTXLUHG WR UHSUHVHQW DQG DJUHH WKDW
ZKLFK DUH WKH VXEMHFW RI WKH HRUIHUQJL1UFRQWUHPSODWHG\WH
6XSSOHPHQWDWLRQ WKHUHWR WR WKH SXEOLFNLQ DQG RI8QLWHG
1RWHV WR WKH SXEOLF LQ WKH 8QLWHG .LQJGRP

(a) $SSURYDO SURFHGXUHV 6XSSOHPHQWDWLRQ WR WKH 1RWHV VSHFL
1RWHV PD\ EH PDGH RWKHU WKDQ SXU3VXDQW´WR RVCHFWLRQ WKR
GDWH RI SXEOLFDWLRQ RI D SURVSHFWXV LQ UHODWLRQ WR VX
&RQGXFW $XWKRULW\ SURYLGHG WKDW DQ\ VXFKWXHR3USHFWLQJ
6XSSOHFRQWHPSODWLQJ VXFK 3XEOLF 2IIHU LQ WKH SHULRG C4•6

(b) 4XDOLILHG DLWQ YDHQ\WWRUPH WR DQ\ OHJDO HQWLW\ ZKLFK LV D TXD
RI 5HJXODWLRQ (8 DV LW IRUPV SDUW RI GRPHVWLF OD

(c))HZHU WKRDQHUDWVDQ\ WLPH WR IHZHU WKDQ QDWXUDO RU O
LQYHVWRUV DV GHILQHG LQ $UWLFOH RI 5HJXODWLRQ (8
RI WKH (8:$ LQ WKH 8QLWHG .LQJGRP VXEMWFKW WR RHYDQLQ'HQD
'HDOHUV QRPLQDWHG E\ WKH ,VVXHU IRU DQ\ VXFK RIIHU RU

(d) 2WKHU H[HPSWDQHWLPH LQ DQ\ RWKHU FLUFXPVWDQFHV IDOOL

SURYLGHG WKDW QR VXFK RIIHU RI 1RWHV UHIHUUHG WR LQ E WH
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5HJXODWLRQ (8 V SDUDW EWG RHVWLF ODZ E\ YLUWXH RI WKH (8

)RU WKH SXUSRVHV RI WKLV SURYLVLRQ WKH[HLH[SUHVVDWLRQ WR DQ
PHDQV WKH FRPPXQLFDWLRQ LQ DQ\ IRUP DQG E\ DQ\ PHDQV RI VXI
WKH 1RWHV WR EH RIIHUHG VR DV WR HQDEOH DQ LQYHVWRU WR
H[SUHVVLRQ ´PHDQV 5HJXODWLRQ (8 DV LW IRUPV
E\ YLUWXH RI WKH (8:$

2WKHU UHJXODWRU\ UHVWULFWLRQV

(a) 1R GHSRDVLWQJUHODWLRQ WR DQ\ 1RWWKKDQQHJ\EDUDWXULW\ RI

(i) LW LV D SHUVRQ ZKRVH RUGLQDU\ DFWLYLWLHV LQYROYH LV
LQYHVWPHQWV DV SULQFLSDO RU DJHQW IRU WKH SXUSRV

(ii) LW KDV QRW RIIHUHG RU VROG DQG ZLOO QRW RIIHU RU VHO
DFWLYLWLHV LQYROYH WKHP LQ DFTXLULQJ KROGLQJ PDQ
RU DJHQW IRU WKH SXUSRVHVRUHWDKHRQDEXVLQHVVHV[HFHFRUZZ
PDQDJH RU GLVSRVH RI LQYHVWPHQWV DV SULQFLSDO RU
ZKHUH WKH LVVXH RI WKH 1RWHV ZRXOG RWKHUZLVH FRQV
)60$ E\ WKH ,VVXHU

(b))LQDQFLDO SLUPRKDWLRQO\ FRPPXQLFDFWRHPGXRULFDDVHGGDQGR ZEH
FRPPXQLFDWH RU FDXVH WR EH FRPPXQLFDWHG DQ\ LQYLWDWLR
ZLWKLQ WKH PHDQLQJ RI VHFWLRQ RI WKH)60$ UHFHLYHG
DQ\ 1RWHV LQVFLQFZKPLVFKDQHFHWLRQ RI WKH)60$ GRHV QRW

(c) *HQHUDO FRLPVSKLDQFRPSOLHG DQG ZLOO FRPSO\ ZLWK DOO DSS
UHVSHFW WR DQ\WKLQJ GRQH E\ LW LQ UHODWLRQ WR DQ\ 1R
.LQJGRP

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme be required to represent, warrant and undertake, that:

(a) LW KDV QRW RIIHUHG RU VROG DQG ZLOO QRW RIIHU RU VHOO L
H[FHSW IRU 1RW³WZXKEWKUDEUGHSRLQXHGWLQ WKH 6HFXULWLHV D
&DS RI +RQJ .R QJRWWKHU WSKDQHVVRQ DOY LGHYHQWRULQ WKH
DQG DQ\ UXOHV PDGH XQGHU WKH 6)2 RU LL LQ RWKHU FLUFX
EHLQ³SUDRVSHFWXVHILQHG LQ WKH &RPSDQLHV :LQGLQJ 8S DQ

2UGLQDQFH &DS RI +RQJ .RQJ ZKLFK GR QRW FRQVWLWXWH
ZLWKLQ WKH PHDQLQJ RI WKH & :803 2 DQG

(b) LW KDV QRW LVVXHG RU KDG LQ LWV SRVVHVVLRQ IRU WKH SX
SRVVHVVLRQ IRU WKH SXUSRVHV RI LVVXH ZKHWKHU LQ +RQJ .
RU GRFXPHQW UHODWLQJ WR DQ 1RWH ZKLFK KDV EHHQ LVVXHG E
RU UHDG E\ WKH SXEOLF RI +RQJ .RQJ H[FHSW LI SHUPLWWHG
.RQJ RWKHU WKDQ ZLWK UHVSHFW WR 1RWHV ZKLFK DUH RU D
RXWVLGH +RQJ .RQJ RU RIIHUHG RQO\ WR SHUVRQV RXWVLGH +RQJ .RQJ RU RQO\ WR SHUVRQV WR HDFK RI ZKRP DQ\ RIIHU RI 1RWHV LV PDGH IRU D SHULRG RI DW OHDVW VL[PRQWKV DIWHU WKH 6)2 DQG DQ\ 1RWHV ZKLFK DUH RIIHUHG RXWVLGH +RQJ .RQJ RQ RU DIWHU WKH 6)2 DQG DQ\ 1RWHV ZKLFK DUH RIIHUHG RQ RU DIWHU WKH 6)2

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act 5HYLVHG (GLWLRQ of Singapore, as modified or amended from time to time (the "SFA"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused such Notes to be the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such 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 such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

:KHUH WKH 1RWHV DUH VXEVFULEHG RU SXUFKDVHG XQGHU 6HFWLR

(a) D FRUSRUDWLRQ ZKLFK LV QRW DQ DFFUHGLWHG LQYHVWRU DV
RI ZKLFK LV WR KROG LQYHVWPHQWV DQG WKH HQWLUH VKDUH F
HDFK RI ZKRP LV DQ DFFUHGLWHG LQYHVWRU R

(b) D WUXVW ZKHUH WKH WUXVWHH LV QRW DQ DFFUHGLWHG LQYH
HDFK EHQHILFLDU\ RI WKH WUXVW LV DQ LQGLYLGXDO ZKR LV D

VHFXULWLHVEDVHGGHULYDWLYHV FRQWUDFWV HDFK WHUP DV GH
FRUSRUDWLRQ RU WUXVWHH KDV EHHQ GXO\ HQWLWOHG WR UHFHLYH
ZLWKLQ VL[PRQWKV DIWHU WKDW FRUSRUDWLRQ RU WKDW WUXVW
6HFWLRQ RI WKH 6)$ H[FHSW

(i) WR DQ LQVWLWXWLRQDO LQYHVWRU RU WR D UHOHYDQW SHUVF
6HFWLRQ $ RU 6HFWLRQ L % RI WKH 6)$

(ii) ZKHUH QR FRQVLGHUDWLRQ LV RU ZLOO EH JLYHQ IRU WKH WUD

(iii) ZKHUH WKH WUDQVIHU LV E\ RSHUDWLRQ RI ODZ

(iv) DV VSHFLILHG LQ 6HFWLRQ RI WKH 6)$ RU

(v) DV VSHFLILHG LQ 5HJXODWLRQ $ RI WKH 6HFXULWLHV DQG)X
6HFXULWLHV 'HULYDWLYHV &RQWUDFWV 5HJXODWLRQV

The Notes have not been and will not be registered under the Financial Notes and Exchange Act of Japan (Act No. 25 of 1948), as amended (the "FIEA"). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer to sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, FIEA and other relevant laws and regulations of Japan.

Each Dealer has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Offering Circular or any relevant Pricing Supplement or any related offering material, in all cases at its own expense. Other persons into whose hands this Offering Circular or any relevant Pricing Supplement comes are required by the Issuer and each of the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Offering Circular or any relevant Pricing Supplement or any related offering material, in all cases at their own expense.

7KH 'HDOHU $JUHHPHQW SURYLGHV WKDW WKH 'HDOHUV VKDOO QR
VSHFLILF MXULVGLFWLRQ VHW RXW DERYH WR WKH H[WHQW WKDW
LQ RIILFLDO LQWHU SWKHW GDWLRQ KHUHRI RI DSSOLFDEOH ODZV DQG
ZLWKRXW SUHMXGLFH WR WKH REOLJDWLRQV RI WKH 'HDOHUV GHVF

6HOOLQJ UHVWULFWLRQV PD\ EH VXSSOHPHQWHG RU PRGLILHG ZLW
RU PRGLILFDWLRQ PD\ EH VHW RXW LQ WKH UHOHYDQW 3UILFLQJ 6X
UHOHYDQW RQO\ WR D 1RQ6WDQGDUG FRQWUDFW RI 7UDQVDFWLRQ HPHQW WR WKLV 2IIHU

1. $SSOLFDWLRQ KDV +EHQ.RQJ 6WRFN([FKDQJH RI W
3URJUDPPH ZKLFK 1RWH\V PD\ EH GLVWULEXWHG WR 3URIHVVLRQ
WKHP RQ WKH DSSURSULDWH GDWH RI WKLV 2IIHULQJ &LUFXODU RU
DUH UHTXLUHG WR EH VROG DW D GLVFRXQW (DFK EXQGOH RI W
RU LWV HTXLYDOHQW LQ RWKHU FXUUHQFLHV

2. 7KH ,VVXHU KDV REWDLQHG DOO QHFHVVDU\ &RQVHQ
RI WKH 1RWHV WKHUHXQGHU DQG WKH &RQ3URFHGXUDO PDWWHUV
WKHUHXQGHU E\ UHVROXWLRQV RI WKH ERDUG RI GLUHFWRUV R

3. ([FHSW DV GLVFORVHG LQ WKLV 2IIHULQJ &LUF
DGYHUVH FKDQJH LQ WKH SURVSHFWV
ILQDQFLDO RU WUDGLQJ

4. ([FHSW DV GLVFORVHG LQ WKLV 2IIHULQJ &LUFXODU QR
LQYROYHG LQ DQ\ JRYHUQPHQWDO OHJDO RU DUELWUDWLRQ SU
SULRU WR WKH GDWH RI WKLV
WKH *URXS ZKLFK LV PDWHULDO LQ WKH FRQWH[W RI WKH LVVX
SURFHHGLQJV DUH SHQGLQJ RU WKUHDWHQHG

5. 7KH 1RWHV PD\ EH DFFHSWHG IRU FOHDUDQFH WK
DQG &OHDU7KH DSSURSULDWH ,6,1 DQG FRPPRQ FRGH WKH UHO
ZKHUH DSSOLFDEOH WKH LGHQWLILFDWLRQ QXPEHU IRU DQ\ F
1RWHV RI HDFK 7UDQFKH ZLOO EH VSHFLILHG LQ WKH UHOHYDQ
WKURXJK DQ\ GGLWLRQDO RU DOWHUQDWLYH &OHDULQJ 6\VWH
WKH UHOHYDQW 3ULFLQJ 6XSSOHPHQW

6.)RU VR ORQJ DV 1RWHV PD\ EH LVVXHG XQGHU W
IROORZLQJ GRFXPHQWV ZLOO EH DYDLODEOH GXULQJ XVXDO EX
DQG SXEOLF KROLGD\V H[FHSWHG IRU LQVSHFWLRQ DW WKH
DW WKH GDWH RI WKLV &LUFXODU %D\ (DVW
7RQJ .RZORRQ +RQJ .RQJ

(i) WKH 7UXVW 'HHG ZKLFK LQFOXGHV WKH 1RWHV
1RWHV LQ GHILQLWLYH IRUP WKH &RXSRQV DQG WKH 7DORQ

(ii) WKH $JHQF\ $JUHHPHQW

(iii) WKH 0HPRUDQGXP DQG $UWLFOHV RI $VVRFLDWLRQ RI WKH ,

(iv) WKH &HUWLILFDWH RI &KDQJH RI 1DPH RI WKH ,VVXHU

(v) HDFK 3ULFLQJ 6XSSOHPHQW VDYH WKDW D 3ULFLQJ 6XSSO
ZLOO RQO\ EH DYDLODEOH IRU LQVSHFWLRQ E\ D KROGHU RI
HYLGHQFH VDWLVIDFWRU\ WR WKH 7UXVWHH

(vi) D FRS\ RI WKLV 2IIHULQJ &LUFXODU WRJHWKHU ZLWK DQ\ V
RWKHU GRFXPHQWV LQFRUSRUDWHG KHUHLQ RU WKHUHLQ U

(DFK %HDUHU 1RWH KDYLQJ D PDWXULW\ RI PRUH WKDQ RQH \H
IROORZLQJ 3$<0(17 6WDWHV SHUVRQ ZKR KROGV WKLV REO

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GLP China Holdings Limited

Annual Report
For the year ended 31 December 2023

Directors ¶ Report

The directors submit herewith their annual report together with the audited consolidated financial statements for the year ended 31 December 2023.

Principal place of business

*/3 &KLQD +ROGLQJV /LPLWHG ³WKH &RPSDQ\´ LV D FRPSDQ\ LQFRUSRUDWHG LQ Hong Kong and has its registered office and principal place of business at 33/F, Edinburgh Tower, The Landmark, 15 Queen ¶V Road Central, Hong Kong.

Principal activities

The principal activity of the Company is investment holding. The principal activities of the &RPSDQ\ DQG LWV subsidiaries are the development, leasing and investment holding of modern logistics facilities, fund management and solar energy business and data center business. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group ¶V business, can be found in the Business Review set out on pages 4 to 11 of this Annual Report. This discussion forms part of this directors ¶ report.

Financial statements

The profit of the Group for the year ended 31 December 2023 and the state of the Company ¶V affairs as at that date are set out in the financial statements on pages 19 to 121.

Transfers to reserves and dividends

Profits attributable to owners of US$87,039,000 (2022: US$1,290,298,000) has been transferred to reserves. Other movements in reserves are set out in the statement of changes in equity.

Share capital

Details of the movements in share capital of the Company are set out in note 23(a) to the financial statements.

Directors

The directors during the financial year were:

Mei, Ming Zhi
Higashi Michihiro
Zhuge Wenjing
Fang Fenglei
MOK Chi Ming
Mark Tan
Nicholas Regan JOHNSON (appointed on 7 March 2023)

There being no provision in the Company ¶ articles of association in connection with the retirement of directors, all existing directors continue in office for the following year.

Indemnity of directors

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout this year.

Directors interest and short positions in shares, underlying shares and debentures

None of the directors of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding company, subsidiaries or other associated corporations.

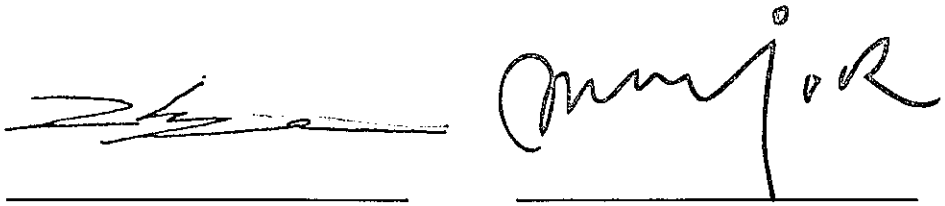
Directors interests in transactions, arrangements or contracts

No transaction, arrangement or contract of significance to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



Director Director

Date: 31 March 2024

Business Review

/3 &KLQD +ROGLQJV /LPLWHG 3/3 is a leading investment OHDGLQJ JOR manager as well as a business builder, owner, developer and operator in logistics real estate, data centers, renewable energy and related technologies and services. GLP ¶ deep expertise and operational insights allow it to build and scale high-quality businesses and create value for all of its stakeholders.

GLP China is the developer and operator of over 450 logistics, manufacturing and R&D facilities across 70 cities in China, data centers of over 1,400 MW secured IT capacity, and over 1GW of accumulated renewable energy generating capacity. GLP China ¶ assets under management reached US$78 billion[1]. GLP C-REIT is one of the first public offerings of infrastructure REITs in China and is one of the few C-REITs to have successfully completed a follow-on offering in June 2023.

‡ Logistics Real Estate

GLP China owns and operates a national network of logistics properties strategically located in key logistics hubs, industrial zones and urban distribution centers. We are a trusted partner to a truly diverse customer base nationwide and work with blue-chip brands in a wide range of sectors from third-party logistics services, ecommerce, high-end manufacturing, pharmaceutical, automobile to renewable energy.

Our well-located, high-quality facilities are designed to create value, drive efficiency while supporting our customers to achieve their sustainability goals. Our scale and outreach KDYH UHVXOWHG LQ D QHWZRUN RI HFW´ HQDEOLQJ FRPSDQLHV WR H[SDQ distribution network throughout prime warehouse locations in key markets nationally.

‡ Data Centers

GLP China is a leading independent data center owner-operators in China, with a staff force of approximately 700 professionals. Founded in 2018, GLP ¶ China data center business has more than 1,400 MW of secured IT capacity.

By leveraging our existing logistics real estate portfolio, land acquisition capabilities, expertise in developing high-quality modern logistics facilities, and ecosystem partnerships, we are well-positioned to drive innovation and operational efficiency within the data center space in China.

With a focus on sustainability, safety & security, as well as community development, GLP China is focused on delivering resilient and secure data centers in China, as well as innovative, sustainable solutions that support the business growth of its customers.

‡ Renewable Energy

Energy transition is accelerating, leading to increased demand for renewable energy nationally. GLP China has launched a number of initiatives to pursue renewable energy development including rooftop solar on our global logistics real estate portfolio, wind assets and energy storage solutions.

[1] Including the equity-weighted AUM of China Merchants Capital, which is jointly managed by GLP and China Merchants Group

‡ Private equity investment

The private equity investment of GLP China is mainly managed by the private equity investment arm, Hidden Hill Capital, complementing to GLP China ¶ ecosystem in infrastructure investment, development and operations and related services and technologies. Hidden Hill Capital has been focusing on three investment themes, namely, logistics services, digital supply chain capabilities, logistics and renewable technologies. The investment portfolios not only represent the advanced technology benefiting the future industry development and automation upgrade, but also focus on the top players in the respective fields, which will bring up synergies to other businesses of GLP China, as well as expected returns to the investors through the unique investment strategies.

The global supply chain evolution has been calling for reconfiguration of the solutions. In the past few years, cross-border e-commerce and high-end manufacturing reshoring have become mainstream practices, thus fuelling the growth of an offshore trading cycle. The strong and robust logistics and supply chain systems of Chinese enterprises have proven to be winners in the highly competitive offshore markets as well, with world-class efficiency. Besides, another strength of Hidden Hill Capital is its participation in a few mixed-ownership restructure projects for large state-owned enterprises, adding value to the competitiveness of these enterprises, and paving ways for the future capitalization.

Market overview

- China ¶ GDP rose 5.2% in 2023 beating the target of 5% along with a modest recovery in consumption, which boosted online shopping to a record high and made warehousing spaces even more essential to supply chain management. Therefore, the market is anticipated to grow steadily in 2024.

- Live-streaming online shopping has become a new trend and reshaped the entire landscape. Powerhouses have been expanding fiercely and gained their market shares. Brands with a focus on reaching out to consumers directly have been building up vertical e-commerce interfaces. Both trends have been generating growth of logistics sector and increased demand logistics spaces.

- In 2023 multi-category retailers in China that aimed to win over new customers in overseas markets spurred cross-border ecommerce growth tremendously, which contributed 7.5% of the total export values, compared to less than 3% five years ago. The momentum is likely to keep up in the coming years owing to China ¶ leading edges in manufacturing and logistics. The cross-border e-commerce has boosted the demand for logistics warehouses close to the sea ports, especially in Greater Bay Area and other manufacturing hubs.

- High-value export products like electric vehicles, lithium batteries and solar panels delivered a stellar performance in 2023, which grew fast at an average of 30% on a year-to-year basis. China replaced Japan to become the No. 1 automobile export country. Electric vehicle manufacturers are eager to upgrade their supply chains by seeking more warehousing spaces for delivery centers and R&D centers to cater to fast-growing deliveries.

Overview of operational results (continued)

*/3 &KLQD ,QFRPH)XQG ,; ³&,) ,;´ ZDV HVWDEOLVKHG LQ 1RY billion (equivalent to US$0.51 billion) of assets under management. The income fund is invested in a high quality, core office complex in Beijing. The office complex comprising total gross floor area of 63,000 sqm and is leased to leading financial services, healthcare, pharmaceutical and agriculture and food companies. Situated in Beijing ¶ East Second Ring Road Business District, the office complex serves many blue-chip customers seeking to establish headquarters in the well-established commercial cluster.

*/3 &KLQD ,QFRPH)XQG ; ³&,) ;´ ZDV HVWDEOLVKHG LQ 'HF billion (equivalent to US$0.61 billion) of assets under management in partnership. The fund is seeded with 13 stabilised income-generating industrial parks with a total leasable area of over 970,000 sqm strategically located in core markets including Shanghai, Kunshan, Shaoxing, Tianjin, Chongqing, Shenyang and Dalian. CIF X ¶ advanced manufacturing and warehousing logistics parks serve high-end intelligent manufacturing industries such as automobiles and parts, electronics and electrical appliances, pharmaceuticals and medical equipment, as well as new economy industries such as new materials, industrial robots, and semiconductors, which support key economic growth pillars.

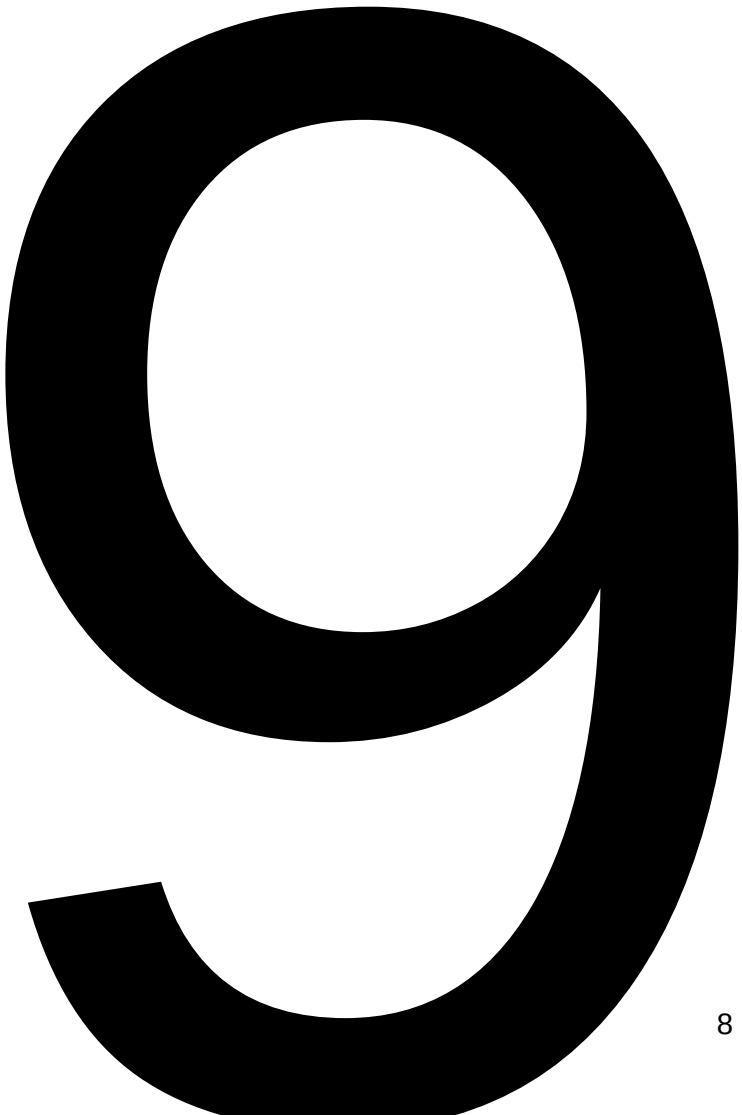
*/3 &KLQD ,QFRPH)XQG ;, ³&,) ;,´ ZDV HVWDEOLVKHG LQ 'HF billion (equivalent to US$0.42 billion) of assets under management. The fund is seeded with four modern logistics parks with total leasable area of 540,000 sqm, located in core logistics hubs of Shanghai, Jinan and Harbin. The parks serve customers in automobile manufacturing, pharmaceutical, e-commerce and third-party logistics service providers, with all parks incorporating smart park technologies and environment-friendly features such as rooftop photovoltaic systems, electric vehicle charging stations and LED lighting etc.

Financial review

Revenue was US$1,303 million (2022: US$1,205 million). Increase was mainly contributed by the growth of data center service business and global freezer service business.

Property-related and other business expenses was US$647.4 million (2022: US$558.2 million). Increase was mainly due to the increase of the operational cost incurred by data center and freezer services business in line with their business expansion (e.g., maintenance expense, depreciation expense of right-of-use assets and machinery, etc.).

Other income and share of results of joint ventures and associates was US$79.3 million (2022: US$168.1 million). In 2023, the domestic economy was on a recovery cycle. Under this circumstance, less private equity investment activities took place, which led to less fair value gain contributed by the private equity investment portfolios



Risk management

We place an extremely high importance on risk management. We believe that risk management is not just about minimizing downside risk, but also enables us to take on the necessary risks to grow and create value. We are committed to fostering a strong risk governance culture which encourages identification and proactive management of these risks.

The process of risk management is incorporated into day-to-day operations and forms an integral part of all decision-making processes with GLP China.

For example, as for the liquidity risk management, we closely monitor cash inflow from operating activities, implementing monetization strategies, as well as proactively manage capital expenditures and a safe cash balance, this will enable us to achieve a balanced and optimized liquidity position, to meet the needs of business development and repayment of all debt due.

In addition, our operation in China is naturally exposed to foreign exchange rate fluctuations, and our pre-tax profit is exposed to currency risks through sales and purchases which give rise to receivables, payables and cash balances denominated in foreign currencies, primarily United States dollars. In respect of the monetary assets and liabilities denominated in foreign currencies, we ensure that the net exposures to this risk is kept to an acceptable level by monitoring the currency gap and keep reducing our exposure by holding monetary assets and liabilities denominated in foreign currencies in short-term period.

We are also exposed to interest rate risk arising primarily from variable-rate borrowings and cash balances. We manage the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis.

Individual operating entities within GLP China are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands. Our policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

Environmental social and governance

We are committed to a broad range of environmental, social and governance (ESG) commitments that elevate our business, create value for our shareholders and investors, support our employees and customers, and show respect to the local communities in which we work. We believe ESG is our corporate responsibility as business builders and investors as well as an opportunity to promote good business ethics and focus on a more sustainable and resilient future.

We focus on improving efficiency across our businesses through the use and integration of data and technology. As a result, we are able to reduce consumption, better manage assets and invest capital more efficiently, which in turn generates better returns for our shareholders and investors, reduces costs for our customers and partners, and helps our global employees by increasing motivation and productivity to enhance an individual ¶ livelihood.

We aim to be a global leader on integrated ESG commitments because we believe that sustainability is an essential part of our long-term success as global corporate citizens. To be a global leader we are committed to continuously improving our ESG policy to meet or exceed evolving standards and expectations of our shareholders, investors, customers, employees and communities.

Building business and investing responsibility means embedding ESG into our investment and decision-making process. This helps us to identify and avoid ESG risks. We understand and identify how our activities can impact material ESG factors and how these can affect our reputation, capital value and stakeholders. We focus on how we can best manage our workforce, whether it is our own employees or contractors and suppliers. We recognize how we can work with the communities where we invest and operate business and how we can enhance our presence through economic development, limiting our environmental impact and seeking a community ¶ license to operate.

ESG also is considered after the development, acquisition or investment decision. Our teams across investment management, asset management and corporate management are empowered to prioritize, act, track and monitor the sustainability performance of our assets and in certain instances collaborate with our workforce, partners and communities. Consistent ESG performance across an asset ¶ lifestyle helps us to actively manage the sustainability of assets.

As a leading global investment manager and business builder, our mission is to build sustainable businesses and generate attractive risk-adjusted returns to shareholders and investors over the long term, while providing exceptional investment and operational services that enhance value. Our asset management teams are responsible for enhancing the value of our assets through effective operations.

Additionally, we develop and invest in technologies and innovations that enhance the efficiency of our assets including data analytics, robotics, automated clearance systems, digital loading docks, smart sorting, telematics, energy-efficient fleet management systems, Internet of Things, resource conservation and our transition to renewable energy.

Environmental social and governance (continued)

To provide our global customers with increased opportunities to enhance their sustainability endeavors, we focus on sustainability initiatives that increase resource conservation, leverage climate action, improve health and well-being and support local communities.

We are committed to maintaining the highest standards of corporate governance as a means of enhancing corporate performance and accountability. To demonstrate our commitment towards excellence in corporate governance, we have established a series of well-defined policies and processes to protect our stakeholders ¶nterests. Our leadership team recognizes the importance of strong corporate governance and the maintenance of high standards of accountability to our shareholders and remains firmly committed to seeing that those standards are satisfied through an evolving suite of governance practices that are woven into the fabric of our business.

We continually review and refine its processes in light of best practice, consistent with the needs and circumstances of the Group. We maintain a zero-tolerance approach to bribery and corruption and require all management and employees to comply with our Code of Business Conduct at all times and provide annual certification.

We aim to incorporate health and well-being throughout our organization and assets in support of our employees, customers and the communities in which we work. By focusing on promoting well-being we can enhance an individual ¶ livelihood, increase motivation and productivity as well as bring communities together.

We focus on introducing well-being concepts such as creating spaces that encourage physical activity, integrating natural lighting, improving access to nature and providing areas for healthy eating and socializing.

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Independent auditor ¶ report to the members of GLP China Holdings Limited

(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of G / 3 & K L Q D + R O G L Q J V / L P L W H & R P S D Q \ ´ D Q G L W V the Group) L G V L E D U L H V W 1 R Q 1 2 1 D W L R Q D O which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year ended 31 December 2023 and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year ended 31 December 2023 L Q D F F R U G D Q F H Z L W K + R Q J . R Q J) L Q D Q F L D O 5 H S R U W L Q J 6 W D Q + R Q J . R Q J , Q V W L W X W H R I & H U W L I L H G 3 X E O L F D F F R X Q W D Q W V ´ prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

: H F R Q G X F W H G R X U D X G L W L Q D F F R U G D Q F H Z L W K + R Q J . R Q J 6 issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor s responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA ¶ Code of Ethics for Professional Accountants ³ W K H & ´ D Q G Z H K D Y H I X O I L O O H G R X U R responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Valuation of investment properties	
Refer to note 11 to the consolidated financial statements and the accounting policies on note 2(j).	
The key audit matter	**How the matter was addressed in our audit**
As at 31 December 2023, the Group had a significant portfolio of investment properties with respect to logistics and warehousing facilities located in Mainland China with a carrying amount of US$ 12,150 million, representing 37% of the Group ¶ total assets. These investment properties are stated at their fair values with reference to the valuation performed by external property valuers, with changes in fair value recognised in profit or loss. The valuation results are sensitive to key assumptions and parameters such as terminal yield capitalisation rate, capitalisation rate and discount rate. We identified valuation of investment properties as a key audit matter because the valuation involves significant judgment in determining the appropriate valuation methodologies to be used, and in estimating the underlying assumptions and parameters to be applied.	Our audit procedures to assess the valuation of investment properties included the following: x obtaining an understanding of the Group ¶ process of, and assessing the design and implementation of the key internal controls over determining the fair value of investment properties; x obtaining and inspecting the valuation reports prepared by the external property valuers engaged by management on which the directors ¶ assessment of the fair values of investment properties was based; x assessing the external property valuers ¶ qualifications, experience and expertise in the properties being valued and considering their objectivity; x with the assistance of our internal valuation specialist, assessing the appropriateness of the valuation methodologies with reference to the prevailing accounting standards and the appropriateness of the key assumptions and parameters adopted by the external valuers by comparing these assumptions against historical rates and available industry and market data, taking into consideration comparability and other factors; x comparing significant input data used in the valuation to supporting documentation, on a sample basis, and x assessing the appropriateness of the disclosures in the consolidated financial statements in respect of valuation of investment properties with reference to the requirements of prevailing accounting standards.

Key audit matters (continued)

Accounting for interests in limited liability partnerships	
Refer to notes 12, 13 and 14 to the consolidated financial statements and the accounting policies on note 2(d) and 2(f).	
The key audit matter	**How the matter was addressed in our audit**
The Group holds interests in limited liability partnerships and acts as the limited partners of these partnerships, and the Group ¶ fellow subsidiaries act as the general partner of these partnerships. These limited liability partnerships are formed to invest in and operate various types of assets and businesses. Based on management analysis of the respective partnership ¶ governance structure and decision-making mechanism, the Group ¶ ability to control or influence the significant decisions of the partnership, and the level and variability of the Group ¶ returns, the Group determines whether it should account for interests in these partnerships as subsidiaries, associates or joint ventures. We identified accounting for interests in limited liability partnerships as a key audit matter because the governance structure and decision-making mechanism of these partnerships vary and significant judgement is involved in assessing Group ¶ ability to control or exercise significant influence over the significant decisions of these partnerships and the degree of linkage between the Group ¶ decision-making abilities and returns, which could lead to different accounting treatment and different financial statement presentation.	Our audit procedures to assess the

Key audit matters (continued)

Valuation of unquoted equity investments	
Refer to notes 18 and 30(f) to the consolidated financial statements and the accounting policies on note 2(h).	
The key audit matter	**How the matter was addressed in our audit**
At 31 December 2023, the Group held a portfolio of unquoted equity instruments of US$2,067 million. The fair value of these unquoted equity investments is measured at Level 3 of the fair value hierarchy. The fair value of the Group ¶ unquoted equity investments is derived from valuation models with unobservable inputs and estimates, which involve significant management judgement and estimation. We identified valuation of unquoted equity investments as a key audit matter because of the degree of complexity involved in valuing these unquoted equity investments and because of the significant degree of judgment exercised by management in determining the valuation models to be used and the inputs and assumptions used in the valuation models.	Our audit procedures to assess the valuation of unquoted equity investments included the following: x obtaining an understanding of the Group ¶ process of, and assessing the design and implementation of the key internal controls over determining the valuation of unquoted equity investments; x with the assistance of our internal valuation specialists, on a sample basis, assessing the appropriateness of the valuation models with reference to the prevailing accounting standards and the key inputs and assumptions adopted in the valuation models by comparing these inputs and assumptions with market data derived from comparative companies or comparative transactions, or other publicly available information; x comparing, on a sample basis, investees ¶ financial data adopted in the valuation models to their respective financial statements; and x assessing the appropriateness of the disclosures in the consolidated financial statements in respect of the valuation of unquoted equity investments with reference to the requirements of prevailing accounting standards.

Information other than the consolidated financial statements and auditor s report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor ¶ report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group ¶ ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor ¶ report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Auditor s responsibilities for the audit of the consolidated financial statements (continued)

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group ¶ internal control.

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

- Conclude on the appropriateness of the directors ¶use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ¶ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor ¶ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor ¶ report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Independent auditor ¶ report to the members of GLP China Holdings Limited (continued)

(Incorporated in Hong Kong with limited liability)

Auditor s responsibilities for the audit of the consolidated financial statements (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor ¶ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor ¶ report is Alex M K Shum.

Certified Public Accountants
8th Floor, Prince ¶ Building
10 Chater Road
Central, Hong Kong

Date: 31 March 2024

Consolidated Statement of Comprehensive Income for the year ended 31 December 2023

	Note	Year ended 31 December 2023 US$'000	Year ended 31 December 2022 US$'000
Revenue	4	1,302,554	1,205,310
Other income	5	57,516	3,138
Cost of goods sold		(2,523)	(6,684)
Property-related and other business expenses		(647,351)	(558,165)
Other expenses		(251,724)	(296,994)
Changes in fair value of investment properties		132,814	933,515
Share of results (net of tax expense) of joint ventures		48,113	46,415
Share of results (net of tax expense) of associates and loss on disposal of associates		(26,374)	118,552
Profit from operations		613,025	1,445,087
Finance costs	6	(660,780)	(684,773)
Finance income	6	150,479	136,657
Net finance costs	6	(510,301)	(548,116)
Gain on disposal of subsidiaries	29	305,488	1,230,002
Gain on disposal of investment properties		65,839	3,020
Profit before taxation	7	474,051	2,129,993
Tax expense	8	(222,743)	(683,329)
Profit for the year		251,308	1,446,664
Profit attributable to:			
Owners of the Company		87,039	1,290,298
Non-controlling interests		164,269	156,366
Profit for the year		251,308	1,446,664

The notes on pages 28 to 121 form part of these financial statements.

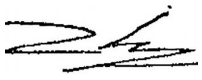
Consolidated Statement of Comprehensive Income for the year ended 31 December 2023 (continued)

	Note	Year ended 31 December 2023 US$'000	Year ended 31 December 2022 US$'000
Profit for the year		251,308	1,446,664
Other comprehensive income for the year	10		
Items that will not be reclassified to profit or loss:			
Change in fair value of other investments		(96,244)	(72,989)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements from functional currency to reporting currency		(332,282)	(1,815,663)
Share of other comprehensive income of joint ventures		2,150	13,177
Share of other comprehensive income of associates		(2,658)	359
Other comprehensive income for the year		(429,034)	(1,875,116)
Total comprehensive income for the year		(177,726)	(428,452)
Total comprehensive income attributable to:			
Owners of the Company		(240,110)	(78,253)
Non-controlling interests		62,384	(350,19E1

Consolidated Statement of Financial Position as at 31 December 2023

	Note	31 December 2023 US$'000	31 December 2022 US$'000
Non-current assets			
Investment properties	11	12,149,883	13,880,385
Joint ventures	13	2,798,864	2,809,348
Associates	14	2,861,733	2,844,715
Deferred tax assets	15	71,642	54,468
Property, plant and equipment	16	1,857,827	1,352,456
Intangible assets	17	678,103	703,948
Other investments	18	2,624,121	2,512,638
Other non-current assets	19	1,553,566	1,995,642
		24,595,739	26,153,600
Current assets			
Trade and other receivables	20	5,159,045	4,211,604
Assets classified as held for sale	21	2,227,999	6,608,509
Cash and cash equivalents	22	1,132,071	1,489,426
		8,519,115	12,309,539
Total assets		33,114,854	38,463,139
Equity attributable to owners of the Company			
Share capital	23	6,950,825	6,950,825
Reserves	24	6,923,830	7,162,993
		13,874,655	14,113,818
Non-controlling interests		5,457,986	6,145,160
Total equity		19,332,641	20,258,978

The notes on pages 28 to 121 form part of these financial statements.



Consolidated Statement of Changes in Equity for the year ended 31 December 2023

Ø Ø Ø	Share capital US$ ¶00	Capital and PRC statutory reserve US$ ¶00	Equity compensation reserve US$ ¶00	Currency translation reserve US$ ¶00	Fair value reserve (non-recycling) US$ ¶00	Other reserve US$ ¶00	Retained earnings US$ ¶00	Total attributable to owners of the Company US$ ¶00	Non-controlling interests US$ ¶00	Total equity US$ ¶00
At 1 January 2022	6,950,825	90,779	36,849	174,951	228,707	(1,554,630)	8,301,787	14,229,268	5,627,871	19,857,139
Ø										
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	1,290,298	1,290,298	156,366	1,446,664
Ø										
Other comprehensive income										
Exchange differences on translation of financial statements from functional currency to reporting currency	-	-	-	(1,309,098)	-	-	-	(1,309,098)	(506,565)	(1,815,663)
Changes in fair value of other investments	-	-	-	-	(72,989)	-	-	(72,989)	-	(72,989)
Share of other comprehensive income of joint ventures	-	13,177	-	-	-	-	-	13,177	-	13,177
Share of other comprehensive income of associates	-	359	-	-	-	-	-	359	-	359
Ø										
Total other comprehensive income	-	13,536	-	(1,309,098)	(72,989)	-	-	(1,368,551)	(506,565)	(1,875,116)
Total comprehensive income for the year	-	13,536	-	(1,309,098)	(72,989)	-	1,290,298	(78,253)	(350,199)	(428,452)
Transactions with owners, recorded directly in equity										
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	2,649,229	2,649,229
Capital withdrawal from non-controlling interests	-	-	-	-	-	-	-	-	(1,255)	(1,255)
Transfer to reserves	-	430	-	-	-	-	(430)	-	-	-
Acquisition of interests in subsidiaries from non-controlling interests	-	(54,379)	-	-	-	-	-	(54,379)	(5,876)	(60,255)
Acquisition of subsidiaries (note 29)	-	7,582	-	-	-	-	-	7,582	154,639	162,221
Disposal of subsidiaries (note 29)	-	(4,258)	-	-	-	-	-	(4,258)	(151,260)	(155,518)
Disposal of interest in subsidiaries to non-controlling interests	-	(1,612)	-	-	-	-	-	(1,612)	315,770	314,158
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(2,093,759)	(2,093,759)
Disposal of associates	-	15,470	-	-	-	-	-	15,470	-	15,470
Disposal of other investments	-	-	-	-	(48,234)	-	48,234	-	-	-
Ø										
Total contributions by and distributions to owners	-	(36,767)	-	-	(48,234)	-	47,804	(37,197)	867,488	830,291
Ø										
At 31 December 2022	6,950,825	67,548	36,849	(1,134,147)	107,484	(1,554,630)	9,639,889			

Consolidated Statement of Changes in Equity for the year ended 31 December 2023 (continued)

Ø Ø Ø	Share capital US$ ¶00	Capital and PRC statutory reserve US$ ¶00	Equity compensation reserve US$ ¶00	Currency translation reserve US$ ¶00	Fair value reserve (non-recycling) US$ ¶00	Other reserve US$ ¶00	Retained earnings US$ ¶00	Total attributable to owners of the Company US$ ¶00	Non-controlling interests US$ ¶00	Total equity US$ ¶00
At 1 January 2023	6,950,825	67,548	36,849	(1,134,147)	107,484	(1,554,630)	9,639,889	14,113,818	6,145,160	20,258,978
Ø										
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	87,039	87,039	164,269	251,308
Ø										
Other comprehensive income										
Exchange differences on translation of financial statements from functional currency to reporting currency	-	-	-	(230,397)	-	-	-	(230,397)	(101,885)	(332,282)
Changes in fair value of other investments	-	-	-	-	(96,244)	-	-	(96,244)	-	(96,244)
Share of other comprehensive income of joint ventures	-	2,150	-	-	-	-	-	2,150	-	2,150
Share of other comprehensive income of associates	-	(2,658)	-	-	-	-	-	(2,658)	-	(2,658)
Ø										
Total other comprehensive income	-	(508)	-	(230,397)	(96,244)	-	-	(327,149)	(101,885)	(429,034)
Ø										
Total comprehensive income for the year	-	(508)	-	(230,397)	(96,244)	-	87,039	(240,110)	62,384	(177,726)
Ø										
Transactions with owners, recorded directly in equity										
Ø										

Consolidated Cash Flow Statement for the year ended 31 December 2023

Ø	Year ended 31 December 2023	Year ended 31 December 2022
Ø	US$'000	US$'000
Cash flows from operating activities		
Ø		
Profit before taxation	474,051	2,129,993
Adjustments for:		
Amortisation of intangible assets	17,256	9,579
Depreciation of property, plant and equipment	103,896	49,068
Loss on disposal of property, plant and equipment	4,260	8,549
Gain on disposal of subsidiaries	(305,488)	(1,230,002)
Gain on disposal of investment properties	(65,839)	(3,020)
Share of results (net of tax expense) of joint ventures	(48,113)	(46,415)
Share of results (net of tax expense) of associates and loss on disposal of associates	26,374	(118,552)
Changes in fair value of investment properties	(132,814)	(933,515)
Changes in fair value of financial assets	4,844	60,960
Impairment losses on trade and other receivables	3,477	2,297
Other expenses	-	42,095
Net finance costs	510,301	548,116
Dividend income	(29,752)	(46,707)
Ø		
Ø	562,453	472,446
Changes in working capital:		
Trade and other receivables	6,785	66,569
Trade and other payables	87,491	98,635
Ø		
Cash generated from operations	656,729	637,650
Tax paid	(79,768)	(106,390)
Ø		
Net cash generated from operating activities	576,961	531,260

The notes on pages 28 to 121 form part of these financial statements.

Consolidated Cash Flow Statement
for the year ended 31 December 2023 (continued)

Ø	Note	Year ended 31 December 2023	Year ended 31 December 2022
Ø	Ø	US$ ¶00	US$ ¶00
Cash flows from investing activities	Ø		
Ø	Ø		
Acquisitions of subsidiaries, net of cash acquired	29	(527,269)	(1,489,646)
Disposal of subsidiaries, net of cash disposed	29	1,276,341	1,645,155
Capital contribution to joint ventures	Ø	(100,256)	(56,963)
Capital contribution to associates	Ø	(228,213)	(429,287)
Dividends received from joint ventures	Ø	25,543	94,957
Dividends received from associates	Ø	107,371	146,547
Dividends received from other investments	Ø	29,752	49,558
Payment for purchase of property, plant and equipment	Ø	(297,687)	(323,533)
Payment for purchase of other investments	Ø	(380,008)	(689,792)
Proceeds from disposal of property, plant and equipment	Ø	2,523	7,614
Proceeds from disposal of investment properties	Ø	290,442	11,959
Proceeds from disposal of other investments	Ø	131,662	298,935
Proceeds from disposal of associates and joint ventures	Ø	12,765	522,011
Withholding tax paid on disposal gain, dividend and interest income from subsidiaries	Ø	(319,626)	(45,221)
Development expenditure on investment properties	Ø	(600,508)	(819,985)
Deposit refunded/(paid) for acquisitions of investment properties	Ø	829	(101,159)
Loans to joint ventures	Ø	(2,333)	(48,880)
Loans to associates	Ø	(14,318)	(81,322)
Loans to non-controlling interests	Ø	(1,804)	(7,123)
Loans to intermediate holding company and other related parties	Ø	(386,445)	(1,525,653)
Repayment of loans from joint ventures	Ø	58,079	18,615
Repayment of loans from associates	Ø	130,741	204,638
Repayment of loans from non-controlling interests	Ø	14,024	-
Repayment of loans from third parties	Ø	9,220	76,571
Repayment of loans from intermediate holding company and other related parties	Ø	225,479	86,227
Interest income received	Ø	48,629	77,092
Deposits pledged for construction projects	Ø	(4,661)	-
Ø	Ø		
Net cash used in investing activities	Ø	(499,728)	(2,378,685)

The notes on pages 28 to 121 form part of these financial statements.

Notes to the Financial Statements

1.

2. Material accounting policies (continued)

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Changes in accounting policies

(i) New and amended HKFRSs

The Group has applied the following new and amended HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

- HKFRS 17, Insurance contracts
- Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates
- Amendments to HKAS 1, Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies
- Amendments to HKAS 12, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction
- Amendments to HKAS 12, Income taxes: International tax reform Pillar Two model rules

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the new and amended HKFRSs are discussed below:

HKFRS 17, Insurance contracts

HKFRS 17, which replaces HKFRS 4, sets out the recognition, measurement, presentation and disclosure requirements applicable to issuers of insurance contracts. The standard does not have a material impact on these financial statements as the Group does not have contracts within the scope of HKFRS 17.

Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates

The amendments provide further guidance on the distinction between changes in accounting policies and changes in accounting estimates. The amendments do not have a material impact on these financial statements as the Group ¶ approach in distinguishing changes in accounting policies and changes in accounting estimates is consistent with the amendments.

Amendments to HKAS 1, Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies

The amendments require entities to disclose material accounting policy information and provide guidance on applying the concept of materiality to accounting policy disclosure. The Group has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

2. Material accounting policies (continued)

Amendments to HKAS 12, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exemption such that it does not apply to transactions that give rise to equal and offsetting temporary differences on initial recognition such as leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented.

Prior to the amendments, the Group did not apply the initial recognition exemption to lease transactions and had recognised the related deferred tax, except that the Group previously determined the temporary difference arising from a right-of-use asset and the related lease liability on a net basis on the basis they arise from a single transaction. Following the amendments, the Group has determined the temporary differences in relation to right-of-use assets and lease liabilities separately. The change primarily impacts disclosures of components of deferred tax assets and liabilities in note 15, but does not impact the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualify for offsetting under HKAS 12.

Amendments to HKAS 12, Income taxes: International tax reform Pillar Two model rules

The amendments introduce a temporary mandatory exception from deferred tax accounting for the income tax arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and 'HYHORSPHQW ³2(&'´ LQFRPH WD[DULVLQJ IURP VXFK WD[OD ³3LOODU 7ZR LQFRPH WD[HV´ LQFOXGLQJ WD[ODZV WKDW LPS top-up taxes described in those rules. The amendments also introduce disclosure requirements about such tax including the estimated tax exposure to Pillar Two income taxes. The amendments are immediately effective upon issuance and require retrospective application.

However, because no new legislation to implement the top-up tax was enacted or substantively enacted at 31 December 2023 in any jurisdiction in which the Group operates and no related deferred tax was recognised at that date, the retrospective application has no impact on the Group ¶ consolidated financial statements.

2. Material accounting policies (continued)

(ii) New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism

,Q -XQH WKH +RQJ .RQJ 6$5 *RYHUQPHQW WKH ³*RYHUQPHQ Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) 2UGLQDQFH WKH ³$PHQGPHQW 2UGLQDQFH´ ZKLFK ZLOO (WKH ³7UDQVLWLRQ 'DWH´ 2QFH WKH $PHQGPHQW 2UGLQDQFH longer use any of the accrued benefits derived from its mandatory contributions to mandatory SURYLGHQW IXQG ³03)´ VFKHPH WR UHGXFH WKH respect of an employee ¶V VHUYLFH IURP WKH 7UDQVLWLRQ 'DWH WKH DEROLWLR addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee ¶ monthly salary immediately before the Transition Date and the years of service up to that date.

The Amendment Ordinance does not have a material impact on these financial statements.

(d) Subsidiaries and non-controlling interests

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

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ³1&,´ HLWKHU DW IDLU YDOXH RU DW WKH QRQ-controlling interests' proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2(p) or (q) depending on the nature of the liability.

Changes in the

2. Material accounting policies (continued)

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(m)), unless it is classified as held for sale (or included in a disposal group classified as held for sale) (see note 2(x)).

(e) Business combination for entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group's equity except that any share capital of the acquired entities is recognised as part of merger reserves in other reserves.

(f) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group or the Company has joint control, whereby the Group or the Company has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

An interest in an associate or a joint venture is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group classified as held for sale) (see see note 2(x)). They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or ORVV DQG RWKHU FRPSUHKHQVLYH LQFRPH ³2&,´ RI WKRVH LQ significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture, after applying the ECL model to such other long-term interests where applicable (see note 2(h)).

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

In the Company's statement of financial position, an investment in an associate or a joint venture is stated at cost less impairment losses (see note 2(m)), unless it is classified as held for sale (or included in a disposal group classified as held for sale) (see note 2(x)).

2. Material accounting policies (continued)

(g) Goodwill

Goodwill arising on acquisition of businesses is measured at cost less accumulated impairment losses and is tested annually for impairment (see note 2(m)).

(h) Other investments in debt and equity securities

The Group's policies for investments in securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 30(f). These investments are subsequently accounted for as follows, depending on their classification.

2. Material accounting policies (continued)

(ii) Equity investments

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income (see note 2(u)(v)).

(i) Property, plant and equipment

The following items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see note 2(m)):

- right-of-use assets arising from leases over freehold or leasehold properties where the Group is not the registered owner of the property interest; and

- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 2(l)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment less their estimated residual values, if any, using the straight line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

Furniture, fittings and equipment	1 - 40 years
Buildings held for own use carried at amortised cost	40 years
Right-of-use assets	over the term of the lease terms

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Effective from 1 January 2023, the Group has refined the classification of certain plant and equipment items and their corresponding useful lives. The impact on depreciation expense for the year is immaterial.

2. Material accounting policies (continued)

(j) Investment properties

Investment property is initially measured at cost, and subsequently at fair value with changes therein recognised in profit or loss.

Any gain or loss on disposal of investment property is recognised in profit or loss. Rental income from investment properties is recognised in accordance with note 2(u)(i).

Investment properties comprise completed investment properties, investment properties under re-development, properties under development and land held for development.

Land held for development represents lease prepayments for acquiring rights to use land in the PRC with periods ranging from 40 to 50 years. Such rights granted with consideration are recognised initially at acquisition cost.

(i) Completed investment properties and investment properties under re-development

Completed investment properties and investment properties under re-development are measured at fair value with any changes therein recognised in profit or loss. Rental income from investment properties is accounted for in the manner described in note 2(u)(i).

(ii) Properties under development and land held for development

Property that is being constructed or developed for future use as investment property is initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in profit or loss.

The cost of properties under development comprises specifically identified cost, including the acquisition cost of land use rights for properties under development, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see note 2(w)).

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss is the difference between net disposal proceeds and the carrying amount of the property.

2. Material accounting policies (continued)

(k) Intangible assets (other than goodwill)

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, including license rights, customer relationship and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see note 2(m)).

Expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

Trademarks	20 years
License rights	over the term of the license period
Customer relationship	10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2. Material accounting policies (continued)

(l) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less, and leases of low-value items such as laptops and office furniture. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability, and are charged to profit or loss as incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(i) and 2(m)(iii)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property are carried at fair value (see note 2(j)); and

- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at fair value (see note 2(i)); and

- right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable value.

2. Material accounting policies (continued)

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see notes 2(h)(i), 2(u)(vi) and 2(m)(i)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the conditions set out in paragraph 46B of HKFRS 16 Leases. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

In the statement of financial position, the current portion of long-term lease liabilities is determined as the principal portion of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(u)(i).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(l)(i), then the Group classifies the sub-lease as an operating lease.

2. Material accounting policies (continued)

(m) Credit losses and impairment of assets

(i) Credit losses from financial instruments, contract assets and lease receivables

The Group recognises a loss allowance for expected credit losses ³ (& /) ȣ Ș h:

- financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, including those loans to associates and joint ventures that are held for the collection of contractual cash flows which represent solely payments of principal and interest);

- contract assets;

- non-equity securities measured at FVOCI (recycling) (recycling) (see note 2(h)(i));

- lease receivables; and

- loan commitments issued, which are not measured at FVPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

The expected cash shortfalls are discounted using the following rates if the effect is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;

- variable-rate financial assets: current effective interest rate;

- lease receivables: discount rate used in the measurement of the lease receivable; and

- loan commitments: current risk-free rate adjusted for risks specific to the cash flows.

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

2. Material accounting policies (continued)

The Group considers a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade".

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in non-equity securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in OCI and accumulated in the fair value reserve (recycling) does not reduce the carrying amount of the financial asset in the statement of financial position (see note 2(h)).

Credit-impaired financial assets

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

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2. Material accounting policies (continued)

Write-off policy

The gross carrying amount of a financial asset, lease receivable or contract asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Credit losses from financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make V S H F L I L H G S D \ P H Q W V W R U H L P E X U V H W K H E H Q H I L F L D U \ R I W K H holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial gua U D Q W H H V L V V X H G D U H L Q L W L D O O \ U H F R J Q L V H G Z L W K L value, which is determined by reference to fees charged in an arm ¶ length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group ¶ policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

The amount initially recognised as deferred income is subsequently amortised in profit or loss over the term of the guarantee as income.

The Group monitors the risk that the specified debtor will default on the contract and remeasures the above liability at a higher amount when ECLs on the financial guarantees are determined to be higher than the carrying amount in respect of the guarantees.

A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 2(m)(i) apply.

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any (ss)-4 (t)17 (h)-8 (e)13 ( )-4 (r)7 (i)5 (sk)-7 (i)5 (sk)-7 (i) 0 g h23O ( )-4 (o)13 0 0 1 70.8-4 (s

2. Material accounting policies (continued)

(iii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than property carried at revalued amounts, investment property, inventories and other contract costs, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset ¶ recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash- J H Q H U D W L Q J X Q L W V ³ & * 8 ´ V * R R G Z L O O D U L V L Q combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Material accounting policies (continued)

(r) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(s) Income tax

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

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

- taxable temporary differences arising on the initial recognition of goodwill; and

- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

2. Material accounting policies (continued)

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Where investment properties are carried at their fair value in accordance with note 2(j), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date, unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(t) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see note 2(m)(iii)).

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. Material accounting policies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortization where appropriate, and the amount that would be determined in accordance with note 2(t). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 2(t).

(u) Revenue recognition and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

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2. Material accounting policies (continued)

(vii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(v) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Hong Kong dollars at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

2. Material accounting policies (continued)

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(x) Non-current assets held for sale and discontinued operations

(i) Non-current assets held for sale

Non-current assets, or disposal group comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to deferred tax assets, employee benefits assets, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

2. Material accounting policies (continued)

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

Where an operation is classified as discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

(y) Asset acquisition

Groups of assets acquired and liabilities assumed are assessed to determine if they are business or asset acquisitions. On an acquisition-by-acquisition basis, the Group chooses to apply a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

3. Accounting estimates and judgements

The following critical accounting policies involve the most significant judgements and estimates used in the preparation of the consolidated financial statements.

(a) Valuation of investment properties

An external independent valuation company, has appropriate recognised professional qualifications and recent experience in the locations and categories of property being valued, values the Group ¶ investment property portfolio every three months. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in arms ¶ length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows then is applied to the net annual cash flows to arrive at the property valuation.

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market ¶ general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

Investment property under construction or development is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction or development, financing costs and a reasonable profit margin.

3. Accounting estimates and judgements (continued)

(b) Impairment of non-financial assets

If circumstances indicate that the carrying amounts of non-financial assets (other than investment properties and deferred tax assets) may not be recoverable, the assets may be considered impaired and are tested for impairment. An impairment loss is recognised when the asset's recoverable amount has declined below its carrying amount. The recoverable amount is the greater of the fair value less costs to sell and value in use. In determining the recoverable amount which requires significant judgements, the Group estimates the future cash flows to be derived from continuing use and ultimate disposal of the asset and applies an appropriate discount rate to these future cash flows.

(c) Recognition of deferred tax assets

The Group has recognised deferred tax assets in relation to the unused tax losses as set out in note 15. The ability to realise the deferred tax assets mainly depends on whether it is probable that future taxable profits will be available against which related tax benefits under the deferred tax assets can be utilised. In cases where the actual future taxable profits generated are less than expected, a reversal of deferred tax assets may arise, which will be recognised in profit or loss for the period in which such a reversal takes place.

(d) Valuation of unlisted financial instruments

For financial instruments without an active market, the Group adopts valuation techniques that are applicable in the current circumstances and sufficiently supported by available data and other information, and selects inputs that are consistent with the characteristics of the assets or liabilities considered by the market participants in the transactions of the relevant assets or liabilities, and prioritizes the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are unavailable or not reasonably available.

4. Revenue

	2023	2022
	US$'000	US$'000
Revenue from rental income	653,175	664,312
Other rental related service income (Note)	182,990	186,739
	836,165	851,051
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
Management fee income	201,271	215,674
Data center service income	135,389	45,393
Freezer services income	124,185	83,925
Sales of goods	5,544	9,267
	466,389	354,259
Disaggregated by timing of revenue recognition		
Point in time	5,544	9,267
Over time	460,845	344,992
	466,389	354,259
	1,302,554	1,205,310

Note: other rental related service income is revenue from contracts with customers within the scope of HKFRS 15 and recognised over time.

The Group's customer base is diversified and no customer with whom transactions have exceeded 10% of the Group's revenue.

5. Other income

	2023	2022
	US$'000	US$'000
Dividend income	29,752	46,707
Government grants	17,861	23,737
Changes in fair value of financial assets	(4,844)	(60,960)
Loss on disposal of property, plant and equipment	(4,260)	(8,549)
Others	19,007	2,203
	57,516	3,138

6. Net finance costs

	2023	2022
	US$'000	US$'000
Interest income on:		
- Fixed deposits and cash at bank	6,517	10,240
- Loans to joint ventures	30,254	31,743
- Loans to associates	7,948	5,904
- Loans to non-controlling interests	285	118
- Loans to intermediate holding company and other related parties	105,072	86,766
- Loans to third parties	403	1,886
Interest income	150,479	136,657
Amortisation of transaction costs of bank loans	(28,506)	(18,452)
Amortisation of transaction costs of bonds	(3,977)	(4,592)
Interest expenses on:		
- Bank loans	(438,883)	(315,042)
- Bonds	(143,595)	(153,059)
- Loans from joint ventures	-	(10)
- Loans from associates	(230)	(2)
- Loans from non-controlling interests	(382)	(1,653)
- Loans from intermediate holding company and other related parties	(15,247)	(17,205)
- Loans from third parties	(1,490)	(130)
- Lease liabilities	(25,214)	(13,912)
Total borrowing costs	(657,524)	(524,057)
Less: borrowing costs capitalised	29,813	25,985
Net borrowing costs	(627,711)	(498,072)
Foreign exchange loss	(33,069)	(186,701)
Net finance costs recognised in profit or loss	(510,301)	(548,116)

7. Profit before taxation

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

	2023 US$'000	2022 US$'000
(a) Staff costs		
Wages and salaries	(100,951)	(143,466)
Contributions to defined contribution plans, included in wages and salaries	(12,295)	(14,551)
(b) Other expenses		
Amortisation of intangible assets	(17,256)	(9,579)
Depreciation charge		
- Owned property, plant and equipment	(72,262)	(21,554)
- Right-of-use assets	(41,887)	(36,611)
Less: Right-of-use assets depreciation expense capitalised	10,253	9,097
Impairment loss on trade and other receivables	(3,477)	(2,297)
Auditors' remuneration - audit services	(3,766)	(3,248)

8. Tax expense

(a) Taxation in the consolidated statement of comprehensive income represents:

Ø	2023	2022
Ø	US$'000	US$'000
Ø		
Current tax	151,870	53,324
Withholding tax on foreign-sourced income	31,882	389,968
Ø		
Ø		443,292
Deferred tax		
Origination and reversal of temporary differences	38,991	240,037
Ø		

9. Directors remuneration

Directors ¶emuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulation is as follows:

Ø	2023	2022
Ø	US$ ¶00	US$ ¶00
Executive Directors		
Ø		
Salaries allowance and benefits in kind	(722)	(2,267)
Discretionary bonuses	(116)	(1,568)
Long-term incentive plan	(320)	(2,114)
Ø		
Total	(1,158)	(5,949)

10. Other comprehensive income

(a) Tax effects relating to other comprehensive income

Ø	2023			2022		
	Before-Tax amount	Tax expense	Net-of-Tax amount	Before-Tax amount	Tax expense	Net-of-Tax amount
Ø	US$ ¶00	US$ ¶00	US$ ¶00	US$ ¶00	US$ ¶00	US$ ¶00
Ø						
Exchange differences on translation of financial statements from functional currency to reporting currency	(332,282)	-	(332,282)	(1,815,663)	-	(1,815,663)
Change in fair value of other investments	(103,559)	7,315	(96,244)	(89,327)	16,338	(72,989)
Share of other comprehensive income of jointly ventures and associates	(508)	-	(508)	13,536	-	13,536
Ø						
Total other comprehensive income	(436,349)	7,315	(429,034)	(1,891,454)	16,338	(1,875,116)

(b) Components of other comprehensive income, including reclassification adjustments

Ø	2023	2022
Ø	US$ ¶00	US$ ¶00
Ø		
Exchange differences on translation of financial statements from functional currency to reporting currency	(332,282)	(1,815,663)
Change in fair value of other investments	(96,244)	(72,989)
Share of other comprehensive income of jointly ventures and associates	(508)	13,536
Ø		
Net movement during the year recognised in other comprehensive income	(429,034)	(1,875,116)

11. Investment properties

	31 December 2023	31 December 2022
	US$'000	US$'000
At 1 January	13,880,385	15,269,504
Additions	622,665	768,207
Disposals	(436,465)	(15,603)
Acquisition of subsidiaries (note 29)	217,651	1,361,732
Disposal of subsidiaries (note 29)	(1,170,131)	(569,504)
Borrowing cost capitalised (note 6)	25,270	22,140
Changes in fair value	132,814	933,515
Reclassification from assets held for sale (note 21)	67,121	-
Reclassification to assets held for sale (note 21)	(869,084)	(2,186,593)
Effect of movements in exchange rates	(320,343)	(1,703,013)
At 31 December	12,149,883	13,880,385
Comprising:		
Completed investment properties	9,895,330	10,536,168
Properties under development	1,209,849	2,039,600
Land held for development	1,044,704	1,304,617
	12,149,883	13,880,385

Fair value measurement of properties

(a) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

- Level 3 valuations: Fair value measured using significant unobservable inputs

11. Investment properties (continued)

31 December 2023

Ø	The Group			
Ø	Level 1	Level 2	Level 3	Total
Ø	US$ ¶00	US$ ¶00	US$ ¶00	US$ ¶00
Ø				

11. Investment properties (continued)

Ø	Valuation Techniques	Unobservable input	Range
Ø			
Investment properties without facilities	Income Capitalisation method	Capitalisation rate	4.25% - 7.00%
Ø	Discounted cash flow and Residual value	Discount rate	5.10% - 10.00%
Ø	Discounted cash flow and Residual value	Terminal yield capitalisation rate	3.10% - 7.00%

Descriptions of the sensitivity in unobservable inputs and inter-relationship:

The fair value measurement is negatively correlated to the unobservable input that the lower the factor will result in a higher fair value.

) D L U Y D O X H D G M X V W P H Q W R I L Q Y H V W P H Q W S U R S H U W L H V L V U
Y D O X H R I L Q Y H V W P H Q W S U R S H U W L H V ' H F U H D V H V W K H I D L U Y D O X H R I L Q Y H V W P H Q W S U R S H U W L H V L Q F U H D V H V W K H I D L U

12. Investments in subsidiaries (continued)

The following table listed out the information relating to changes in non-controlling interests ³1&,´ DQG WKH VXEVLGLDULHV ZLWK QRQ-controlling interests that are material to the Group which have material NCI.

	Changes in NCI							
	CIP V	CLF II	CLF I	ACL	CIF VI	HH_RMB_II	Subsidiaries without material NCI after elimination	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 January 2022	-	2,287,426	1,648,695	574,959	-	314	1,116,477	5,627,871
Profit for the year	(126,356)	171,054	477,887	23,291	11,202	(5,867)	(394,845)	156,366
Exchange differences on translation of financial statements from functional currency to reporting currency	(43,374)	(234,886)	(128,369)	(49,434)	3	463	(50,968)	(506,565)
Capital contribution from NCI	1,600,000	310,300	-	-	306,679	378,955	53,295	2,649,229
Capital withdrawal from NCI	-	-	-	-	-	-	(1,255)	(1,255)
Acquisition of subsidiaries (note 29)	-	-	-	-	-	-	154,639	154,639
Disposal of subsidiaries (note29)	-	-	-	-	-	-	(151,260)	(151,260)
Acquisition of interests in subsidiaries from NCI	-	(6,752)	29,425	-	-	-	(28,549)	(5,876)
Disposal of interest in a subsidiary to NCI	-							

12. Investments in subsidiaries (continued)

Ø	31 December 2023	31 December 2022
Ø	US$ ¶00	US$ ¶00
CLF II (Note)		
Ø		
NCI percentage	69.07%	69.07%
Current assets	310,652	313,870
Non-current assets	6,516,022	6,172,882
Current liabilities	(534,047)	(512,242)
Non-current liabilities	(2,248,577)	(2,007,013)
Non-controlling interests	(110,809)	(108,284)
Net assets	3,933,241	3,859,213
Carrying amount of NCI	2,826,953	2,773,842
Ø		

[redacted]

12. Investments in subsidiaries (continued)

Ø	31 December 2023	31 December 2022
Ø	US$'000	US$'000
ACL		
Ø		
NCI percentage	46.86%	46.86%
Current assets	107,031	84,542
Non-current assets	1,844,439	1,873,571
Current liabilities	(118,273)	(121,590)
Non-current liabilities	(640,762)	(655,112)
Net assets	1,192,435	1,181,411
Carrying amount of NCI	554,062	548,816

Ø	2023	2022
Ø	US$'000	US$'000
Ø		
Revenue	92,621	99,166
Profit for the year	30,897	49,701
Total comprehensive income	30,897	(55,786)
Profit allocated to NCI	14,478	23,291
Net cash increase	13,695	5,584

Ø	31 December 2023	31 December 2022
Ø	US$'000	US$'000
CIF VI (Note)		
Ø		
NCI percentage	68.11%	60.05%
Current assets	106,054	311,847
Non-current assets	972,799	1,057,166
Current liabilities	(40,962)	(392,321)
Non-current liabilities	(529,271)	(596,574)
Net assets	508,620	380,118
Carrying amount of NCI	374,989	317,884

Ø	2023	2022
Ø	US$'000	US$'000
Ø		
Revenue	72,668	6,549
Profit for the year	58,317	18,613
Total comprehensive income	58,317	18,613
Profit allocated to NCI	39,467	11,202
Net cash (decrease)/increase	(208,345)	305,762

Note: The assets/liabilities of CIF VI are classified as held for sale at 31 December 2023 and 2022 (note 21).

12. Investments in subsidiaries (continued)

Ø	31 December 2023	31 December 2022
Ø	US$ ¶00	US$ ¶00
HH_RMB_II		
Ø		
NCI percentage	64.22%	62.91%
Current assets	60,674	71,666
Non-current assets	793,088	561,882
Current liabilities	(4,727)	(35,570)
Non-current liabilities	(9,701)	-
Non-controlling interests	(224,804)	(182,228)
Net assets	614,530	415,750
Carrying amount of NCI	621,468	373,865
Ø		
Ø	2023	2022
Ø	US$ ¶00	US$ ¶00
Ø		
Revenue	-	-
Profit for the year		

13. Joint ventures (continued)

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Revenue	94,510	142,607
Profit for the year from continuing operation	35,794	71,129
Profit attributable to NCI	(12,777)	(26,632)
Profit attributable to equity shareholders	23,017	44,497
Total comprehensive income	38,864	105,855
Total comprehensive income attributable to equity shareholders	25,962	75,530
Group's effective interest	50.00%	50.00%
Share of results (net of tax expense) of joint ventures	11,730	22,249
Included in the above profit:		
Interest expense	(62,572)	(62,783)
Interest income	6,809	2,673
Income tax expense	(26,040)	(26,166)

(b) Thor Fund

In June 2021, the Group completed the formation of Thor Fund with Grand Master 7 H F K Q R O R J \ / L P L W H G ³ * U D Q G 0 D V W H U ´) R U W K H S X U S R V H R I L Q Y H V W L Q J L Q D S R U W I R O L R R I G D W D F H Q W H U V L Q & K L Q D 7 K R U) X Q G L V D M R L Q W Y H Q W X U H R I W K H * U R X S L Q L W V U H J L V W H U H G F D S L W D O R I RMB4,000,000,000 for 50.1% equity interest of the Thor Fund. The Thor Fund invests in a portfolio of data centers, including properties and related infrastructure. As the general partner and the key decision making of Thor Fund's underlying operating entities are jointly controlled by the Group and Grand Master, Thor Fund is accounted for as a joint venture of the Group upon its formation.

According to the agreement between the Group and Grand Master, after the defined business conditions are met, the Group may obtain the power to control key decision-making of the underlying operating entities. Further, the Group may be required to pay contingent consideration when certain financial performance is achieved by the underlying operating entities.

As at 31 December 2023, these underlying data centers are still under construction, and the conditions for paying contingent consideration are not met.

13. Joint ventures (continued)

Summarised financial information of Thor Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	31 December 2023	31 December 2022
	US$'000	US$'000
Non-current assets	1,266,800	1,091,313
Current assets	77,732	108,707
Non-current liabilities	(673,728)	(673,417)
Current liabilities	(53,998)	(55,140)
Equity attributed to equity shareholders	616,806	471,463
Group's effective interest	50.10%	50.10%
Carrying amount in the consolidated financial statements	591,247	570,589
Included in the above assets and liabilities:		
Cash and cash equivalents	15,818	23,666
Non-current financial liabilities (excluding trade and other payables)	(673,728)	(673,417)

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Revenue	53,753	7,155
Loss for the year from continuing operation	(19,143)	(47,209)
Total comprehensive income	(19,143)	(47,209)
Group's effective interest	50.10%	50.10%
Share of results (net of tax expense) of joint ventures	(9,488)	(23,627)
Included in the above profit:		
Interest expense	(30,348)	(36,486)
Interest income	198	246

13. Joint ventures (continued)

(c) Z3 Project

Beijing Jintonggang 5HDO (VWDWH 'HYHORSPHQW &R /WG UHIHUUHG property developer and constructor incorporated in the PRC. The Group obtained joint control of Jintonggang through acquiring 100% shares of five limited partnerships which hold equity interests in Jintonggang, namely Beijing Zhengqi Shangcheng Investment Center LLP, Beijing Zhengqi Shangxin Investment Center LLP, Beijing Zhengqi Shangde Investment Center LLP, Beijing Zhengqi Shangyu Investment Center LLP and Beijing Zhengqi Shanghui Inv H V W P H Q W &H Q W H U / / 3 M R L Q W O \ U H I H U U H G W R D V W 3 U R M H 2023, Z3 Project obtained the certificate of construction.

Summarised financial information of Z3 Project, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	31 December 2023	31 December 2022
	US$'000	US$'000
Non-current assets	1,041,611	1,024,701
Current assets	4,245	1,745
Non-current liabilities	(74,521)	(88)
Current liabilities	(9,047)	(50,347)
Equity attributed to equity shareholders	962,288	976,011
Group's effective interest	34.00%	34.00%
Carrying amount in the consolidated financial statements	326,360	331,012
Included in the above assets and liabilities:		
Cash and cash equivalents	1,309	1,238
Non-current financial liabilities (excluding trade and other payables)	(74,521)	-

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Revenue	-	-
Profit/(loss) for the year from continuing operation	2,566	(3,310)
Total comprehensive income	2,566	(3,310)
Group's effective interest	34.00%	34.00%
Share of results (net of tax expense) of joint venture	872	(1,125)
Included in the above profit:		
Interest expense	(2,986)	(3,859)
Interest income	-	8

13. Joint ventures (continued)

(d) CVA I Fund

CVA I Fund is a limited partnership established in the PRC in February 2018 by the Group and another third party investor with total equity commitments of RMB9.8 billion (equivalent to approximately US$1.4 billion). The Fund engages in acquisition and management of completed logistics and industrial estate assets in China.

Summarised financial information of CVA I Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	31 December 2023	31 December 2022
	US$'000	US$'000
Non-current assets	3,205,974	3,070,273
Current assets	136,395	234,742
Non-current liabilities	(1,574,440)	(1,529,443)
Current liabilities	(71,539)	(65,160)
Non-controlling interests	(269,523)	(261,826)
Equity attributed to equity shareholders	1,426,867	1,448,586
Group's effective interest	18.36%	18.36%
Carrying amount in the consolidated financial statements	231,285	234,492
Included in the above assets and liabilities:		
Cash and cash equivalents	121,388	218,865
Current financial liabilities (excluding trade and other payables)	(27,698)	(27,784)
Non-current financial liabilities (excluding trade and other payables)	(1,574,440)	(1,529,443)

13. Joint ventures (continued)

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Revenue	202,229	204,845
Profit for the year from continuing operations	97,555	106,809
Less: Profit attributable to NCI	(18,913)	(15,564)
Profit attributable to equity shareholders	78,642	91,245
Total comprehensive income	97,555	106,809
Total comprehensive income attributable to equity shareholders	78,642	91,245
Group's effective interest	18.36%	18.36%
Share of results (net of tax expense) of joint venture	14,292	16,705
Included in the above profit:		
Depreciation and amortisation	(43)	(50)
Interest expense	(64,205)	(68,700)
Interest income	1,440	2,555
Income tax expense	(58,296)	(57,244)

(e) Other individually immaterial joint ventures

Summarised financial information of other individually immaterial joint ventures, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Profit for the year from continuing operations	91,252	107,878
Less: Loss/(profit) attributable to NCI	777	(1,854)
Profit attributable to equity shareholders	92,029	106,024
Total comprehensive income	91,252	107,878
Total comprehensive income attributable to equity shareholders	92,029	106,024
Aggregate amount of the share of results of joint ventures		32,213

14. Associates

Ø	Notes	31 December 2023	31 December 2022
Ø	Ø	US$ ¶00	US$ ¶00
Ø	Ø		
Zhuhai Hidden Hill Logistic Equity , Q Y H V W P H Q W) X Q G / 3) X Q G ´	(a)	600,238	643,824
GLP Jianfa (Xiamen) Investment Fund LLP ³ - L D Q) D) X Q G ´	(b)	365,245	424,547
Golden Lincoln Holdings II Limited & D \ P D Q ³ / L) X Q J ´	(c)	327,631	327,639
Zhongjin Jiaye (Tianjin) Commercial Real (V W D W H , Q Y H V W P H Q W & H - L D \ H ´	(d)	192,522	200,977
Others	(e)	1,376,097	1,247,728
Ø	Ø		
Ø	Ø	2,861,733	2,844,715

(a) Hidden Hill Fund

In May 2018, the Group invested in 30.76% equity interest of Hidden Hill Fund, which is focusing on logistics ecology. The Group held 36.45% equity interest in Hidden Hill Fund as at 31 December 2023 (31 December 2022: 36.45%). The Hidden Hill Fund is primarily controlled by its consulting committee board and investing committee board consisting of five members with one of them appointed by the Group. Resolutions at any meeting of these committees shall be decided by two-thirds of the voting members and the Group has significant influence in it by virtue of its one membership in these boards.

Summarised financial information of the Hidden Hill Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

Ø	31 December 2023	31 December 2022
Ø	US$ ¶00	US$ ¶00
Ø		
Non-current assets	1,709,096	1,827,806
Current assets	5,773	40,994
Non-current liabilities	(85,960)	(115,936)
Current liabilities	(529)	(4,851)
Net assets attributable to equity shareholders	1,628,380	1,748,014
Group ¶ interest in associate	36.45%	36.45%
Carrying amount in the consolidated financial statements	600,238	643,824
Ø		
Included in the above assets and liabilities:		
Cash and cash equivalents	712	21,835

14. Associates (continued)

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
(Loss)/revenue	(26,263)	200,624
(Loss)/profit for the year from continuing operations	(16,325)	164,921
Total comprehensive income	(16,325)	164,921
Group's effective interest	36.45%	36.45%
Share of results (net of tax expense) of associate and loss on disposal of associates	(5,186)	9,583
Included in the above profit:		
Net interest income	63	330

(b) Jian Fa Fund

In November 2020, the Group invested in 49.76% equity interest of Jian Fa Fund, which is a private equity investment vehicle formed in the PRC. The Group held 47.75% equity interest in Jian Fa Fund as at 31 December 2023 (31 December 2022: 47.75%). The general partner and the key decision making of Jian Fa Fund is primarily controlled by its general partner's board of directors, which consists of seven members with two of them appointed by the Group. Resolutions at any meeting of these committees shall be decided by two-thirds of the voting members and the Group has significant influence in it by virtue of its two members in these boards.

Summarised financial information of the Jian Fa Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	31 December 2023	31 December 2022
	US$'000	US$'000
Non-current assets	558,254	573,250
Current assets	191,727	226,005
Current liabilities	(2,322)	(249)
Net assets attributable to equity shareholders	747,659	799,006
Group's interest in associate	47.75%	47.75%
Carrying amount in the consolidated financial statements	365,245	424,547
Included in the above assets and liabilities:		
Cash and cash equivalents	189,762	217,807

14. Associates (continued)

	Year ended 31 December 2023	Year ended 31 December 2022
Ø	US$'000	US$'000
Ø		
Revenue	6,436,817	7,629,372
Profit for the year from continuing operations		1,319,438
Less: Profit attributable to NCI		(54,767)
Profit attributable to equity shareholders		1,264,671
Total comprehensive income		1,321,447
Total comprehensive income attributable to equity shareholders		1,273,362
Group's effective interest		20.09%
Share of results (net of tax expense) of associate		-
Ø		
Included in the above profit:		
Interest income		11,294
Interest expense	(39,907)	(68,300)

(d) Zhongjin Jiaye

Zhongjin Jiaye (Tianjin) Commercial Real Estate Investment Center LLP (referred to as "Zhongjin Jiaye") is established as limited partnership and the purpose of the partnership is to seek capital appreciation by investing in the Z3 project (see note 13(c)).

In April 2019, the Group acquired 58.63% equity interest of Zhongjin Jiaye through acquiring 100% equity interest of one limited partner of Zhongjin Jiaye. Zhongjin Jiaye is primarily controlled by its consulting committee board and investing committee board and the Group has significant influence in it through its membership in these boards.

Summarised financial information of Zhongjin Jiaye, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

14. Associates (continued)

	31 December 2023	31 December 2022
	US$'000	US$'000
Non-current assets	328,538	333,973
Current assets	305	13,664
Current liabilities	(475)	(4,849)
Net assets attributed to equity shareholders	328,368	342,788
Group's interest in associate	58.63%	58.63%
Carrying amount in the consolidated financial statements	192,522	200,977
Included in the above assets and liabilities:		
Cash and cash equivalents	255	1,136

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Revenue	-	-
Profit/(loss) for the year from continuing operations	1,748	(1,342)
Total comprehensive income	1,748	(1,342)
Group's effective interest	58.63%	58.63%
Share of results (net of tax expense) of associate	1,025	(787)
Included in the above profit:		
Interest income	2,034	198

(e) Other individually immaterial associates

Summarised financial information of other individually immaterial associates, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Profit for the year from continuing operations		180,808
Total comprehensive income	145,690	180,961
Aggregate amount of the results of associates		108,820

15. Deferred tax

Movements in deferred tax assets and liabilities during the year are as follows:

15. Deferred tax (continued)

Deferred tax assets have not been recognised in respect of the following items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from:

	31 December 2023	31 December 2022
	US$'000	US$'000
Tax losses	827,109	632,992

Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. As at 31 December 2023, unrecognised tax losses amounting to approximately US827,109,000 (31 December 2022: US$632,992,000) will expire within 1 to 5 years.

The PRC income tax law and its relevant regulations impose a withholding tax at 10%, unless reduced by a tax treaty/arrangement, for dividend distributions out of earnings accumulated beginning on or after 1 January 2008. As at 31 December 2023, the Group has not recognised a deferred tax liability amounting to approximately US$55,979,000 (31 December 2022: US$57,575,000) in respect of undistributed earnings of PRC subsidiaries because the Group can control the timing of the distribution and it is probable that the dividend will not be distributed to the holding company outside the PRC in the foreseeable future.

16. Property, plant and equipment

Ø Ø Ø	Furniture, fittings and equipment US$'000	Assets under construction US$'000	Buildings held for own use carried at amortised cost US$'000	Right-of-use assets US$'000	Total US$'000
Cost					
Ø					
At 1 January 2022	208,068	164,907	52,452	473,703	899,130
Acquisition of subsidiaries	113,978	143,600	-	85,962	343,540
Additions	171,339	152,194	-	25,634	349,167
Interest and right-of-use asset depreciation expenses capitalised	8,722	4,220	-	-	12,942
Disposal of subsidiaries	(1,885)	-	-	(5,744)	(7,629)
Disposals	(5,695)	-	-	(18,328)	(24,023)
Transfers	177,233	(176,056)	33,071	(34,248)	-
Effect of movements in exchange rates	(37,257)	(18,327)	(5,597)	(48,160)	(109,341)
Reclassification to asset held for sale	(3,138)	(38)	-	-	(3,176)
Ø					
At 31 December 2022	631,365	270,500	79,926	478,819	1,460,610
Acquisition of subsidiaries (note 29)	67,455	154,500	-	33,138	255,093
Additions	49,481	248,206	-	112,347	410,034
Interest and right-of-use asset depreciation expenses capitalised	3,771	11,025	-	-	14,796
Disposal of subsidiaries (note 29)	(1,627)	-	-	-	(1,627)
Disposals	(1,997)	(408)	-	(47,623)	(50,028)
Transfers	110,359	(129,384)	-	19,025	-
Effect of movements in exchange rates	(8,734)	(6,077)	(2,484)	(8,645)	(25,940)
Reclassification to asset held for sale	(80)	1	-	-	(79)
Ø					
At 31 December 2023	849,993	548,363	77,442	587,061	2,062,859
Ø					
Accumulated depreciation					
Ø					
At 1 January 2022	(36,197)	-	(9,103)	(30,748)	(76,048)
Charge for the year	(20,305)	-	(1,249)	(36,611)	(58,165)
Disposal of subsidiaries	464	-	-	1,161	1,625
Disposals	1,723	-	-	6,137	7,860
Effect of movements in exchange rates	4,848	-	814	9,433	15,095
Transfers	(945)	-	-	945	-
Reclassification to asset held for sale	1,479	-	-	-	1,479
Ø					
At 31 December 2022	(48,933)	-	(9,538)	(49,683)	(108,154)
Acquisition of subsidiaries (note 29)	(2,187)	-	-	-	(2,187)
Charge for the year	(71,070)	-	(1,192)	(41,887)	(114,149)
Disposal of subsidiaries (note 29)	85	-	-	-	85
Disposals	219	-	-	17,007	17,226
Effect of movements in exchange rates	(153)	-	165	1,764	1,776
Reclassification to asset held for sale	371	-	-	-	371
Ø					
At 31 December 2023	(121,668)	-	(10,565)	(72,799)	(205,032)
Ø					

17. Intangible assets

Ø Ø	Goodwill US$'000	Trademark US$'000	License rights US$'000	Customer relationship US$'000	Total US$'000
Cost					
Ø					
At 1 January 2022	303,947	25,541	3,510	-	332,998
Acquisition of subsidiaries (note 29)	293,560	2	11,188	139,090	443,840
Effect of movements in exchange rates	(40,646)	(2,160)	(896)	(5,267)	(48,969)
Ø					
At 31 December 2022	556,861	23,383	13,802	133,823	727,869
Additions	-	-	-	438	438
Effect of movements in exchange rates	(7,118)	(401)	(230)	(2,234)	(9,983)
Ø					
At 31 December 2023	549,743	22,982	13,572	132,027	718,324
Ø					
Accumulated amortisation					
Ø					
At 1 January 2022	-	(15,187)	(1,095)	-	(16,282)
Charge for the year	-	(1,325)	(853)	(7,401)	(9,579)
Effect of movements in exchange rates	-	1,336	344	260	1,940
Ø					
At 31 December 2022	-	(15,176)	(1,604)	(7,141)	(23,921)
Charge for the year	-	(1,731)	(1,073)	(14,452)	(17,256)
Effect of movements in exchange rates	-	723	33	200	

17. Intangible assets (continued)

(a) Data Center Group

The recoverable amount of the CGU is determined based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecasts approved by management covering ten years. Cash flows beyond these periods are extrapolated using the estimated terminal growth rate. The discount rate applied is the weighted average cost of capital from the relevant business segment. The terminal growth rate used does not exceed management ¶ expectation of the long-term average growth rate of the respective industry and country in which the CGU operates. The post-tax discount rate and terminal growth rate used as at 31 December 2023 are 9.74% and 2% respectively (31 December 2022: 9.7% and 3%). The Group believes that any reasonably possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount.

(b) GLP China

The recoverable amount of the CGU is determined based on fair value less costs of disposal. The CGU comprises following categories: development business, fund management, investment properties and other investments as at 31 December 2023. In determining fair value, a combination of approaches were used, including the direct comparison, income capitalisation, discounted cash flow and residual approaches. The direct comparison approach involves the analysis of comparable properties or public companies, the Group invests in companies listed in active markets, and these equity securities are stated at their fair values at the reporting date. The income capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates, and the income stream used is adjusted to market rentals currently being achieved within comparable investment properties and recent leasing transactions achieved within 37 396.82 Tm 0 Tr (o)-8 (n)-8 (s)17 (a)-8 (c)22 (h

17. Intangible assets (continued)

(c) ACL Group

The recoverable amount of the CGU is determined based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecasts approved by management covering ten years.

19. Other non-current assets

	31 December 2023	31 December 2022
	US$'000	US$'000
Trade receivables	29,194	32,769
Prepayments	7,305	35,208
Deferred management costs	60	59
Loans to joint ventures	1,650	400,571
Loans to associates	-	51,596
Loans to other related parties	7,151	-
Loans to non-controlling interests	7,151	6,981
Consideration receivables due from other related parties	1,367,790	1,316,039
Deposits	19,564	3,633
Other investments held for disposal	56,494	97,412
Other non-current receivables	57,207	51,374
	1,553,566	1,995,642

At the year end of 2023, the loans to joint ventures amounting to US$1,650,000 are repayable after one year which is interest-free at the reporting date (31 December 2022: US$1,500,000).

The loans to other related parties are repayable after one year, and bear interest rate at 5.00% per annum.

Consideration receivables due from other related parties, including loan notes with principal amounts of US$ 1,293,779,000 (31 December 2022: US$1,293,779,000) are unsecured, bear a fixed interest rate of 4.00% per annum.

20. Trade and other receivables

	31 December 2023 US$'000	31 December 2022 US$'000
Net trade receivables:		
- Trade receivables	141,381	98,833
- Impairment losses	(4,166)	(4,246)
Ø	137,215	94,587
Amounts due from joint ventures:		
- Trade	7,953	6,558
- Non-trade	222,898	4,612
- Loans to joint ventures	461,981	124,020
Ø		135,190
Amounts due from associates:		
- Trade	5,670	6,648
- Non-trade	55,144	763,984
- Loans to associates	201,444	194,329
Ø	262,258	964,961
Amounts due from non-controlling interests:		
- Non-trade	5,247	10,360
- Loans to non-controlling interests	16,318	14,742
Ø	21,565	25,102
Amounts due from intermediate holding companies and other related parties:		
- Trade	5,333	44,665
- Non-trade	3,394,204	2,499,889
Ø	3,399,537	2,544,554
Ø		
Loans to third parties	22,540	32,385
Deposits	134,120	156,127
Net other receivables:		
- Other receiva0 1 119.f 1 0 0 1 70.8237 340.42 Tm (		

20. Trade and other receivables (continued)

The loans to third parties in relation to acquisition of new investments are secured, repayable within the next 12 months, and bear effective interest rate at 10.00% (31 December 2022: 10.00%) per annum, except for an amount of approximately US$ 7,943,000 which is interest-free upon completion of the acquisition (31 December 2022: US$17,496,000).

Deposits include an amount of approximately US$ 117,728,000 (31 December 2022: US$120,370,000) in relation to the acquisition of new investments. Other receivables comprise principally interest receivable and VAT recoverable.

Trade receivables are due on the date of billing. Further details on the Group ¶ credit policy are set out in note 30(a).

(a) Impairment of trade and other receivables

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group ¶ historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group ¶ different customer bases.

The following table provides information about the Group ¶ exposure to credit risk and ECLs for trade receivables as at 31 December 2022 and 31 December 2023:

Ø		31 December 2022	
	Expected	Gross carrying	Loss
Ø	loss rate	amount	allowance
Ø	%	US$ ¶00	$ ¶00
Ø			
Within 1 month	1.06	85,508	(909)
1 to 2 months	1T /F1		

20. Trade and other receivables (continued)

Expected loss rates are based on actual loss experience over the past 12 months. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade and other receivables during the year is as follows:

	31 December 2023	31 December 2022
	US$'000	US$'000
Balance at 1 January	5,716	2,099
Impairment loss recognised	3,477	2,297
Acquisition of subsidiaries	-	2,049
Disposal of subsidiaries	(794)	(695)
Exchange differences	121	(34)
Balance at 31 December	8,520	5,716

Credit risk arising from loans to joint ventures, loans to associates, loans to non-controlling interests and loans to third parties.

The loans to joint ventures, the loans to associates, the loans to non-controlling interests and the loans to third parties are repayable within the next 12 months. The Group considers that the credit risk arising from these loans are insignificant as the loans are within the credit period.

21. Assets classified as held for sale and disposal group held for sale

Ø	Note	31 December 2023	31 December 2022
Ø	Ø	US$'000	US$'000
Ø	Ø		
Assets of disposal groups held for sale	(a)	2,227,999	6,608,509
Liabilities of disposal groups held for sale	(b)	(897,285)	(4,240,574)
Ø	Ø		
Ø	Ø	1,330,714	2,367,935

During the period from December 2022 to December 2023, the Group initiated and committed to plans to dispose of groups of subsidiaries to related parties and third parties. The disposal consideration will be based on the fair value of the subsidiaries. Nevertheless, certain assets transfer procedures are still in progress and such disposals are expected to be completed in the near future. As a result, the assets and liabilities of those subsidiaries in the disposal groups are presented as assets held for sale and liabilities held for sale respectively as at 31 December 2023 and 2022.

(a) Assets of disposal groups held for sale comprise:

Ø	31 December 2023	31 December 2022
Ø	US$'000	US$'000
Ø		
Investment properties	2,077,739	5,940,772
Cash at bank	119,485	638,245
Other assets	30,775	29,492

22. Cash and cash equivalents

(a) Cash and cash equivalents comprise:

	31 December 2023	31 December 2022
	US$'000	US$'000
Cash at bank	941,005	1,431,878
Restricted cash (note)	191,066	57,548
Cash and cash equivalents in consolidated statement of financial position	1,132,071	1,489,426
Restricted cash	(191,066)	(57,548)
Cash and cash equivalents in disposal groups	119,485	638,245
Cash and cash equivalents in the consolidated cashflow statement	1,060,490	2,070,123

The effective interest rates relating to certain cash at bank balances at reporting date for the Group ranged from 0.01% to 4.5% (31 December 2022: 0.01% to 1.49%) per annum respectively.

Note:

The Group has pledged bank deposit of US$56,588,000 (2022:US$57,548,000) for bank borrowings of its joint venture, Shanghai Pulong Information Technology Co., Ltd. Besides, the Group and ZHEJIANG CENTURY HUATONG GROUP CO., LTD. have provided corporate guarantees for 50.1% and 49.9% of the above-mentioned bank borrowings respectively. As at 31 December 2023, the outstanding amount of the relevant bank borrowings was approximately US$553,461,000 (31 December 2022: US$574,333,000). As at and during the year ended 31 December 2023, there was no overdue payment in respect of these bank borrowings (2022: Nil).

As at 31 December 2023, bank deposit of US$4,725,000 (31 December 2022: Nil) was pledged to secure for construction projects of certain companies.

As at 31 December 2023, bank deposit of US$129,753,000 (31 December 2022: Nil) was received for fund setup and restricted from other use.

22. Cash and cash equivalents (continued)

	Loans and borrowings	*Loans from non-controlling interests, joint ventures, associates third parties and amounts due to other related parties*	*Lease liabilities*	*Interest payable*	*Total*

23. Share capital and capital management

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

Company	Share capital US$'000	Currency translation reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2022	6,950,825	(167,242)	(180,119)	6,603,464
Total comprehensive income for the year	-	(585,829)	782,939	197,110
Balance at 31 December 2022	6,950,825	(753,071)	602,820	6,800,574
Total comprehensive income for the year	-	(37,063)	(354,453)	(391,516)
Balance at 31 December 2023	6,950,825	(790,134)	248,367	6,409,058

(b) Share capital

Issued share capital

	31 December	
	No. of shares	
	'000	US$'000
Ordinary shares, issued and fully paid:	6,950,825	6,950,825

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regarding to the Company's residual assets.

(c) Dividends

The Board of Directors has not declared any dividend in respect of the year ended 31 December 2023 and the year ended 31 December 2022.

23. Share capital and capital management (continued)

All of the Group ¶ banking facilities are subject to the fulfilment of covenants relating to certain of the Group ¶ balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group ¶ management of liquidity risk are set out in note 30(b). As at and during the year ended 31 December 2023, none of the covenants relating to drawn down facilities had been breached (31 December 2022: none).

24. Reserves

Ø	31 December 2023	31 December 2022
Ø	US$ ¶00	US$ ¶00
Ø		
Capital reserve	78,108	67,548
Equity compensation reserve	36,849	36,849
Currency translation reserve	(1,364,544)	(1,134,147)
Fair value reserve (non-recycling)	11,240	107,484
Other reserve	(1,554,630)	(1,554,630)
Retained earnings	9,716,807	9,639,889
Ø		
Ø	6,923,830	7,162,993

The capital reserve comprises mainly equity transactions gain or loss from the changes in the Group ¶ interest in a subsidiary that do not result in a loss of control and the Group ¶ share of the statutory reserve of its PRC-incorporated subsidiaries. Statutory reserve of its PRC-incorporated subsidiaries was transferred from retained earnings in accordance with the relevant PRC rules and regulations and the articles of association of the Company ¶ subsidiaries incorporated in PRC, and were approved by the respective board of directors.

The equity compensation reserve comprises the cumulative value of employee services received for the issue of the shares under the GLP Performance Share Plan and Restricted Share Plan.

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 2(h)).

Other reserve mainly represents capital contributions from the immediate holding company and the merger reserve which was the difference between the Company ¶ share of the nominal value of the paid-up capital and capital reserve related to shareholders ¶ injection of the subsidiaries acquired over the nominal value of the ordinary shares issued by the Company.

As at 31 December 2023, retained earnings include an amount of approximately US$264,616,000 (31 December 2022: US$231,390,000) to be transferred to statutory reserve before distribution of any dividends to shareholders in the future.

25. Loans and borrowings

	31 December 2023	31 December 2022
	US$'000	US$'000
Non-current liabilities		
Secured bank loans	3,326,631	3,316,745
Unsecured bank loans	559,833	1,251,660
Unsecured bonds	914,287	3,048,088
	4,800,751	7,616,493
Current liabilities		
Secured bank loans	364,006	258,189
Unsecured bank loans	1,502,508	1,147,137
Unsecured bonds	2,050,522	699,518
	3,917,036	2,104,844

The weighted average interest rates for bank borrowings and bonds is 4.70% (2022: 4.92%).

Subsequent to the end of the reporting period and up to the approval date of this financial statements, current unsecured bonds of approximately US$1,329,441,000 have been repaid.

26. Other non-current liabilities

	31 December 2023	31 December 2022
	US$'000	US$'000
Deposits received	29,836	41,028
Employee bonus and incentive payable	11,635	11,758
Loans from non-controlling interests	737	406
Loans from third parties	4,364	2,348
Loans from associates	40,442	-
Lease liabilities (note 28)	314,996	265,079
Deposits received for disposal of other investments	56,494	97,412
Consideration payable for acquisition of subsidiaries and joint ventures	34,365	34,948
Finance lease payable	152,134	151,213
Amounts due to other related parties	100,806	102,516
Others	7,952	4,804
	753,761	711,512

27. Trade and other payables

Ø	31 December 2023	31 December 2022
Ø	US$ ¶00	US$ ¶00
Ø		
Trade payables	23,567	12,596
Notes payables	4,156	-
Accrued construction costs	459,065	463,426
Accrued operating expenses	87,892	118,021
Contract liabilities	28,642	30,711
Interest payable	85,501	83,946
Deposits received	193,322	93,634
Am		

28. Lease liabilities

The remaining contractual maturities of the Group's lease liabilities at the end of the reporting year are as follows:

	At 31 December 2023	
	Present value of the minimum lease payments US$'000	Total minimum lease payments US$'000
Within 1 year	28,479	40,790
After 1 year but within 2 years	24,781	43,630
After 2 years but within 5 years	78,442	115,780
After 5 years	211,773	264,144
	343,475	464,344
Less: total future interest expenses		(120,869)
Present value of lease liabilities		343,475

	At 31 December 2022	
	Present value of the minimum lease payments US$'000	Total minimum lease payments US$'000
Within 1 year	24,724	38,501
After 1 year but within 2 years	32,820	36,653
After 2 years but within 5 years	93,146	100,952
After 5 years	139,113	206,204
	289,803	382,310
Less: total future interest expenses		(92,507)
Present value of lease liabilities		289,803

29. Notes to cash flow statement

Acquisitions of subsidiaries

The primary reason for the Group's acquisitions of subsidiaries is to expand its portfolio of investment properties and data center business in the PRC and possession of qualification for architecture designing.

(i) The list of material subsidiaries acquired during the year ended 31 December 2023 is as follows:

Name of subsidiaries	Date acquired	Equity interest acquired %
Guangdong Tenglong Data Technology Co., Ltd.	March 2023	100
Guangdong Tenglong Data Technology Development Co., Ltd.	March 2023	100
Dragon Guangdong I Pte. Ltd.	March 2023	60
Dragon Chongqing III Pte. Ltd.	May 2023	70
Tenglong Yunbo (Chongqing) Data Technology Co., Ltd.	May 2023	70
Tenglong Chuangyun (Chongqing) Data Technology Co., Ltd.	May 2023	70
Tenglong East Lake (Wuhan) Technology Co., Ltd.	August 2023	70
Dragon Shanghai Pte. Ltd.	September 2023	70
Shanghai Linpu Supply Chain Management Co., Ltd.	November 2023	100
Shanghai Lingang GLP Warehousing & Logistics Development	November 2023	100

(ii) The list of material subsidiaries acquired during the year ended 31 December 2022 is as follows:

Name of subsidiaries	Date acquired	Equity interest acquired %
HAN SI CAPITAL HOLDINGS LIMITED.	January 2022	100
Shanghai Linfang Logistics Technology Co., Ltd.	February 2022	100
Pengcheng Jinyun Technology Co., Ltd.	May 2022	100
I-SERVICES NETWORK SOLUTION LIMITED	May 2022	100
Shenzhen Pujing Longze Technology Co., Ltd.	July 2022	70
China Logistics Holding (19) Pte Ltd.	August 2022	100
CLH 84 (HK) Limited	August 2022	100
Zhuhai Puyi Logistics Industry Investment LLP	December 2022	100
Chun Kwong Group Limited	December 2022	100
Tenglong Donghu (Wuhan) Data Management Co., Ltd.	December 2022	55
GLP GV China 3 Holdings Limited	December 2022	100
GLP GV China 4 Holdings Limited	December 2022	63.5

29. Notes to cash flow statement (continued)

Effect of the acquisitions

The cash flow and the net assets of the subsidiaries acquired during the years ended 31 December 2023 and 2022 are provided below:

	Year ended 31 December 2023 Recognised values on acquisition US$ ¶00	Year ended 31 December 2022 Recognised values on acquisition US$ ¶00
Investment properties	217,651	1,361,732
Associates	-	327,639
Property, plant and equipment	252,906	343,540
Intangible assets	-	150,280
Other investments	-	500,650
Deferred tax assets	52	14,285
Other assets	15	23,178
Cash and cash equivalents	22,304	135,149
Trade and other receivables	41,773	149,241
Trade and other payables	(92,043)	(314,879)
Loans and borrowings	(99,081)	(633,285)
Current tax payable	(285)	-
Deferred tax liabilities	(31,913)	(46,835)
Other non-current liabilities	-	(94,195)
Non-controlling interests	(26,998)	(154,639)
Net assets acquired	284,381	1,761,861
Goodwill	-	293,560
Loss on acquisition of subsidiaries under common control	-	(7,582)
Purchase consideration	284,381	2,047,839
Fair value of previous held equity interest	(88,369)	-
Consideration payable	(9,354)	(450,232)
Cash of subsidiaries acquired	(22,304)	(135,149)
Payment of consideration in relation to prior years ¶ acquisitions	362,915	27,188
Cash outflow on acquisitions of subsidiaries	527,269	1,489,646

The total related acquisition costs for the above-mentioned subsidiaries amounted to approximately US$ 284,381,000 (year ended 31 December 2022: US$2,047,839,000).

29. Notes to cash flow statement (continued)

From the respective dates of acquisitions to 31 December 2023, the above-mentioned acquisitions contributed net loss of approximately US$5,411,000 to the Group's results for the year, before accounting for financing costs attributable to the acquisitions. Had the acquisitions occurred on 1 January 2023, management estimates that the above-mentioned acquisitions would have contributed approximately US$16,350,000 and US$1,964,000 to the Group's revenue and net profit respectively for year ended 31 December 2023.

Disposals of subsidiaries

(i) The list of material subsidiaries disposed during the year ended 31 December 2023 is as

	Date disposed	Equity interest disposed %
	January 2023	100
	February 2023	55
	June 2023	100
	June 2023	100
	June 2023	100
	August 2023	100
	August 2023	100
	September 2023	100
	September 2023	100
	October 2023	100
	November 2023	100

29. Notes to cash flow statement (continued)

(ii) The list of material subsidiaries disposed during the year ended 31 December 2022 is as

	Date disposed	Equity interest disposed %
	January 2022	60
	February 2022	100
	February 2022	66
	March 2022	100
	March 2022	100
	April 2022	100
	April 2022	

29. Notes to cash flow statement (continued)

Effect of the disposals

The cash flow and the net assets of the subsidiaries disposed during the years ended 31 December 2023 and 2022 are provided below:

Ø	Year ended 31 December 2023 Recognised values on disposal US$ ¶00	Year ended 31 December 2022 Recognised values on disposal US$ ¶00
Ø		
Investment properties	5,731,765	1,908,884
Joint ventures	-	2,580
Associates	-	127,484
Property, plant and equipment	1,948	6,005
Other investments	-	425,692
Deferred tax assets	2,698	1,178
Other assets	10,527	591
Trade and other receivables	51,106	484,348
Cash and cash equivalents	300,712	214,984
Trade and other payables	(312,916)	(372,025)
Loans and borrowings	(2,612,544)	(133,368)
Current tax payable	(5,382)	(7,393)
Deferred tax liabilities	(781,589)	(364,955)
Other non-current liabilities	-	(7,856)
Non-controlling interests	(1,074,902)	(151,260)
Ø		
Net assets disposed	1,311,423	2,134,889
Gain on disposal of subsidiaries recognised:		
- In profit and loss	300,613	1,230,002
Ø		
Disposal consideration	1,612,036	3,364,891
Consideration receivable	(961,495)	(2,090,407)
Satisfied through non-cash settlement	-	(244,205)
Restricted cash of subsidiary disposed	60,472	-
Cash of subsidiaries disposed	(300,712)	(214,984)
5 H F H L S W R I F R Q V L G H U D W L R Q disposals	753,188	829,860
Cash received in relation to dividend receivable and loan prior to disposal	112,852	-
Ø		
Cash inflow from disposals of subsidiaries	1,276,341	1,645,155

From 1 January 2023 to respective dates of disposals, the above-mentioned subsidiaries contributed approximately US$263,952,000 and US$4,995,000 to the Group ¶ revenue and net loss respectively for the year ended 31 December 2023.

29. Notes to cash flow statement (continued)

Gain on disposal of above subsidiaries	Ø	300,613
Consideration adjustment related to prior year ¶ disposals	Ø	4,875
Ø	Ø	
Gain on disposal of subsidiaries for the year in profit and loss	Ø	305,488

30. Financial risk management and fair values of financial instruments

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group ¶ business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

The Group ¶ exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group ¶ credit risk is primarily attributable to trade and other receivables. The Group ¶ exposure to credit risk arising from cash and cash equivalents, bills receivable and derivative financial assets is limited because the counterparties are banks and financial for which the Group considers to have low credit risk.

Trade and other receivables

The Group ¶ exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer ¶ past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due from the date of billing. Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances before any further credit is granted.

Further quantitative disclosures in respect of the Group ¶ exposure to credit risk arising from trade and other receivables are set out in note 20.

30. Financial risk management and fair values of financial instruments (continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date Group can be required to pay:

			Cash flows		
	Carrying amount	Contractual cash flows	Within 1 year	From 1 to 5 years	After 5 years
	US$'000	US$'000	US$'000	US$'000	US$'000
31 December 2023					
Bank loans	5,752,978	6,671,735	2,100,099	2,706,475	1,865,161
Unsecured bonds	2,964,810	3,047,174	2,103,770	943,404	-
Trade and other payables/other non-current liabilities *	2,639,013	2,765,670	1,901,465	811,833	52,372
	11,356,801	12,484,579	6,105,334	4,461,712	1,917,533
31 December 2022					
Bank loans	5,973,731	7,166,999	1,693,196	3,177,076	2,296,727
Unsecured bonds	3,747,606	3,970,241	838,401	3,131,840	-
Trade and other payables/other non-current liabilities *	2,398,229	2,433,121	1,637,480		

30. Financial risk management and fair values of financial instruments (continued)

(i) Interest rate profile

The following table details the interest rate profile of the Group's loans and borrowings at the balance sheet date:

	31 December 2023		31 December 2022	
	Effective interest rate		Effective interest rate	
	%	US$'000	%	US$'000
Fixed rate borrowings				

30.

30. Financial risk management and fair values of financial instruments (continued)

(ii) Sensitivity analysis

The following table indicates the approximate change in the Group ¶ profit before taxation and other components of consolidated equity in response to a 5% strengthening of the USD against RMB to which the Group had exposure at the balance sheet date. This analysis assumes that the reasonably possible change in foreign exchange rates had occurred at the balance sheet date and had been applied to each for the Group entities ¶exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

Ø	2023	2022
Ø	US$ ¶00	US$ ¶00
Ø		
United States Dollars	117,951	42,136

A 5% weakening of the USD against RMB at 31 December would have had the equal but opposite effect on the RMB to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financi

30. Financial risk management and fair values of financial instruments (continued)

(e) Equity price risk

The Group designated three listed equity securities and CCIC GLP REIT at FVOCI (non-recycling) and other listed investments at FVTPL (see note 18). The Group ¶ listed investments are listed on stock exchanges in the PRC, Hong Kong and United States. Decisions to buy or sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the Index and other industry indicators, as well as the Group ¶ liquidity needs. Certain listed investments held in the other investments have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations. The other listed investments held in the other investments have been chosen based on short term market performance and profitability through open market.

At 31 December 2023, it is estimated that an increase of 5% (31 December 2022: 5%) in the relevant stock market index (for listed investments) with all other variables held constant, would have increased the Group ¶ fair value reserve and profit before tax as follows:

Ø	31 December 2023	31 December 2022
Ø	US$ ¶00	US$ ¶00
Ø		
Other investments	27,851	32,419

A decrease of 5% in the relevant stock market index at 31 December would have had the equal but opposite effect on the above equity investment to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis indicates the instantaneous change in the Group ¶ fair value reserve and profit before tax that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group

30. Financial risk management and fair values of financial instruments (continued)

(f) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 31 December 2023	Fair value measurements as at 31 December 2023 categorised into		
	2023	Level 1	Level 2	Level 3
	$'000	$'000	$'000	$'000
Recurring fair value measurement				
Financial assets:				
Other investments:				
- Listed securities	557,012	557,012	-	-
- Unlisted equity securities	2,067,109	-	-	2,067,109

	Fair value at 31 December 2022	Fair value measurements as at 31 December 2022 categorised into		
	2022	Level 1	Level 2	Level 3
	$'000	$'000	$'000	$'000
Recurring fair value measurement				
Financial assets:				
Other investments:				
- Listed securities	648,375	648,375	-	-
- Unlisted equity securities	1,864,263	-	-	1,864,263

During the year ended 31 December 2023, there were no transfers between Level 1 and Level 2, and the investments in J&T Global Express Limited and China Post Technology Co., Ltd. were reclassified from Level 3 to Level 1 because this equity security became listed during the period during the year (year ended 31 December 2022: investments in Cenntro Electric Group Ltd. was reclassified from Level 3 to Level 1 because these equity securities became listed during the year). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

30. Financial risk management and fair values of financial instruments (continued)

Ø Ø	Valuation techniques	Significant unobservable inputs	Range
Unlisted equity securities	Market approach	Discount for lack of marketability	0% - 30%
Unlisted equity securities	Market approach	Price-to earnings ratio	9.95X
Unlisted equity securities	Market approach	Price-to sales ratio	22x
Unlisted equity securities	Market approach	EV/EBITDA ratio	9.5x - 11x
Unlisted equity securities	Dividend discount model method	Discount rate	11.5%

The fair value of unlisted equity securities is determined using cost approach, market approach and discounted cash flow method. The fair value of unlisted equity securities using cost approach uses financial data. The fair value of unlisted equity securities using market approach uses the price/book ratios of comparable listed companies, post-money valuation and adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. The fair value of unlisted equity securities using discounted cash flow uses discount rate.

Ø Ø Ø	31 December 2023 $ ¶00	31 December 2022 $ ¶00
Unlisted equity securities:		
At 1 January	1,864,263	1,189,147
Additional securities acquired	325,851	1,190,442
Reclassified from associates	-	105,294
Net unrealised gains or losses recognised in profit or loss during the year	2,895	27,566
Net unrealised gains or losses recognised in other comprehensive income during the year	(10,852)	-
Disposals	(15,426)	(579,527)
Reclassification to listed equity securities	(82,444)	(12,261)
Exchange differences	(17,178)	(56,398)
Ø At 31 December	2,067,109	1,864,263
Ø Total gains or losses for the year included in profit or loss for assets held at the end of the reporting year	2,895	27,566

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group ¶ financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2023 and 31 December 2022.

31. Commitments

The Group had the following commitments as at the reporting date:

	31 December 2023	31 December 2022
	US$'000	US$'000
Commitments in relation to share capital of other investments not yet due and not provided for	100,004	221,182
Development expenditure contracted but not provided for	809,558	859,911

32. Remuneration of key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

The key management personnel compensation included as part of staff costs for those key management personnel employed by the Group are as follows:

	Year ended 31 December 2023	Year ended 31 December 2022
	US$'000	US$'000
Salaries, bonuses, contributions to defined contribution plans and other benefits	2,388	9,990

33. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant related party transactions which were carried out in the normal course of business on terms agreed between the parties during the year:

33. Significant related party transactions c continued d

Ø	Year ended 31 December 2023 US$ ¶00	Year ended 31 December 2022 US$ ¶00
Joint ventures		
Ø		
Asset management fee income from joint ventures	1,108	4,193
Investment management fee income from joint ventures	-	2,088
Property management fee income from joint ventures	-	8,295
Development management fee income from joint ventures	-	4,014
Leasing management fee income from joint ventures	-	3,368
Acquisition management fee income from joint ventures	-	147
Service fee income from joint ventures	1,771	1,807
Dividend income received from joint ventures	25,543	94,957
Interest income from joint ventures	30,254	31,743
Interest expenses charged by joint ventures	-	(10)
Ø		
Associates		
Ø		
Asset management fee income from associates	160	20,094
Investment management fee income from associates	-	9,778
Property management fee income from associates	-	4,043
Development fee income from associates	-	5,059
Leasing management fee income from associates	-	1,810
Service fee income from associates	278	371
Dividend income received from associates	107,371	146,537
Interest income from associates	7,948	5,904
Interest expenses charged by associates	(230)	(2)
Ø		
Intermediate holding company		
Ø		
Management service fee charged by intermediate holding company	-	(3,045)
Ø		
Other related parties		
Ø		
Asset management fee charged by other related parties	(137,032)	(76,499)
Asset management fee income from other related parties	-	3,473
Service fee income from other related parties	90,915	47,010
Interest income from other related parties	105,072	86,766
Interest expenses charged by other related parties	(15,247)	(17,205)

33. Significant related party transactions (continued)

Disposal of subsidiaries to related parties

The assets and liabilities of the subsidiaries disposed of are provided below:

	Total US$'000
Net assets disposed	1,124,167
Disposal gains recognised in profit and loss	219,597
Disposal consideration	1,343,764

Guarantees provided to related parties

The Group has provided corporate guarantees for bank borrowings of related parties, GLP China Financing Holding Limited and its subsidiaries. As at 31 December 2023, the outstanding amount of the relevant bank borrowings was approximately US$57,716,000 (31 December 2022: US$197,359,000). As at and during the year ended 31 December 2023, there was no overdue payment in respect of these bank borrowings (2022: none).

Besides, the Group has provided pledged bank deposit and corporate guarantees for bank borrowings of its joint venture, Shanghai Pulong Information Technology Co., Ltd during the year (see note 22).

34. Subsequent events

Subsequent to 31 December 2023 and up to the approval date of this financial report, the following subsequent events occurred:

On 26 January 2024, the Group established CIF XII with planned total assets under approximately RMB 10 billion (equivalent to approximately US$1,412 mC /P <</MC ET Q q 0 0 595.44 841.91998 reu7 (d) <</MC ET Q q 0 0 595.44 841.91998 reu7 (

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36. Company-level statement of comprehensive income

Ø	Year ended 31 December 2023	Year ended 31 December 2022
Ø	US$'000	US$'000
Ø		
Revenue	645	401
Ø		
Other income	5,155	-
Other expenses	(16,504)	(14,854)
Ø		
Loss from operations	(10,704)	(14,453)
Ø		
Finance costs	(408,206)	(520,313)
Finance income	67,144	94,196
Ø		
Net finance costs	(341,0556	

37. Company-level cash flow statement

Ø	Year ended 31 December 2023 US$'000	Year ended 31 December 2022 US$'000
Cash flows from operating activities		
Loss/(profit) before taxation	(351,766)	787,884
Adjustments for:		
Net finance costs	321,182	1,162,345
Gain on disposal of subsidiaries	-	(1,228,454)
Ø	(30,584)	721,775
Changes in working capital:		
Trade and other receivables	(335,935)	(930,170)
Trade and other payables	1,440,210	1,289,470
Cash generated from operations	1,073,691	1,081,075
Tax paid	(722)	-
Net cash generated from operating activities	1,072,969	1,081,075
Cash flows from investing activities		
Interest income received	30,587	21,891
Repayment of loans from subsidiaries	559,559	782,410
Loans to subsidiaries	(40,164)	(1,029,940)
Investments in subsidiaries	(586,500)	(1,784,333)
Net cash used in investing activities	(36,518)	(2,009,972)

39. Possible impact of amendments, new standards and interpretations issued but

GLP China Holdings Limited

Annual Report
For the year ended 31 December 2022

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The directors submit herewith their annual report together with the audited consolidated financial statements for the year ended 31 December 2022.

Principal place of business

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Hong Kong and has its registered office and principal place of business at 33/F, Edinburgh
7RZHU 7KH /DQGPDUN 4XHHQ¶V 5RDG &HQWUDO +RQJ .RQJ

Principal activities

The principal activity of the Company is investment holding. The principal activities of the

Directors

The directors during the financial year were:

Mei, Ming Zhi
Higashi Michihiro
Zhuge Wenjing
Fang Fenglei
MOK Chi Ming
CHAU Kwok Man (resigned on 8 February 2022)
Mark Tan
CHEN Rui Wei (resigned on 8 February 2022)

There E H L Q J Q R S U R Y L V L R Q L Q W K H & R P S D Q \ ¶ V D U W L F O H V R I D V retirement of directors, all existing directors continue in office for the following year.

Indemnity of directors

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout this year.

' L U H F W R U V ¶ L Q W H U H V W D Q G V K R U W S R V L W L R Q V L Q V K D U debentures

None of the directors of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding company, subsidiaries or other associated corporations.

' L U H F W R U V ¶ L Q W H U H V W V L Q W U D Q V D F W L R Q V D U U D Q J H P H

No transaction, arrangement or contract of significance to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

Auditors

KPMG retire[redacted]d, being eligible, offer themse[redacted]

31 MAR 2023

Business Review

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developer and operator of logistics real estate, data centers, renewable energy and related
WHFKQRORJLHV */3¶V GHHS H[SLJKWV ZLWK EXLOGLQJ DQG VFDOLQJ XS
quality businesses and create value for its customers.

GLP China is the investor, developer and operator of approximately 450 facilities for logistics and supply chain operations, research & development, high-end manufacturing, data centers and renewable energy, across 70 cities in China. GLP China is an early mover in investing in technologies and innovations to enhance its assets and has built a highly competitive business ecosystem that enables our customers and p DUWQHUV¶ JURZWK */3 &KLQD the way in adopting and supporting the latest innovations that improve operational efficiency and create value for our customers and investors.

GLP China launched its data center business in 2018, aiming to deliver efficient and resilient digital infrastructure safely and securely to its customers across the globe. GLP is currently one of the leading independent data center operators in China with assets that will deliver approximately 1,400 MW of IT load capacity upon completion. In 2022, GLP China secured the largest built-to-suit data center contract in China from a leading domestic internet company.

GLP China continues to drive the energy transition and meet clean energy demand by investing, developing, and operating assets across the renewable energy value chains. As of December 2022, total solar capacity of GLP-backed Pufeng New Energy that installs rooftop solar panels across GLP and third-party properties, has reached 1 GW.

Market overview

- With a large and growing middle-LQFRPH SRSXODWLRQ &KLQD LV EHFRPLQ
ODUJHVW FRQVXPHU PDUNHWV $FFRUGLQJ WR WKH 3UHPLHU
National People's Congress, China sets GDP growth target of around 5% for 2023, beating other major markets in the world. The stable GDP growth is fundamental to the the sustained robust demand forlogistics and warehousing from the economy. In addition, compared with other modern developed countries, per capita high-end storage area in China is still relatively low. Hence, Chinese logistic real estate market is forecasted of high growth potential in the long run.

- Online sales have grown exponentially during the pandemic, which has also accelerated the development of omni-channel supply chains for various businesses, such as fashion, fresh food, pharmaceuticals, etc. The growing penetration of e-commerce business has brought new demand formodern logistics facilities.

- Main fundraising activities (continued)

  GLP China Income Fund (CIF VI) was established in November 2022 and has RMB 7.6 billion (equivalent to US$1.05 billion) AUM. CIF VI was seeded with 20 stabilised modern logistics assets across 19 cities that serve top customers in e-commerce, logistics and retail sectors with a total leasable area of 2.13 million sqm. The portfolio of assets are quality core income-generating properties ensuring strong and recurrent cash-flow generation.

  GLP China Value-Added Partners (CVP) was established in November 2022 and has US$2.6 billion AUM. CVP focused on acquiring existing assets and creating value through active asset management, including cold storage conversion and will capitalise on market opportunities arising from ongoing deleveraging initiatives and market consolidation in China. The fund was seeded with assets located in key logistics hubs in China with a total net leasable area of approximately 600,000 sqm and features significant committed investment capacity to capitalise on further opportunities in the acquisition pipeline.

  GLP China Income Fund II (CIF VII) was established in 2023 with RMB 5.4 billion (equivalent to US$0.7 billion) AUM. CIF VII was seeded with 13 stabilised modern logistics assets that are located across key logistics hubs including Shanghai, Qingdao, Wuhan and Changsha. The total leasable area is 800,000 sqm and serves top customers in e-commerce, logistics and retail sectors. In-line with GLP's income fund series, the portfolio consists of quality core income-generating properties ensuring strong and recurrent cash-flow generation.

Financial review

Rental and related income was US$851 million (2021: US$1,011 million). Decrease was primarily due to the continuous monetization of project companies to the non-consolidated funds during the current year, while partially offset by the rental rate growth and lease-up following the completion and stabilization of development projects.

Property-related and other business expenses was US$558.2 million (2021: US$381.5 million). Increase was mainly due to the increase of the operational cost incurred by data center and freezer services business in line with their business expansion (e.g., maintenance expense, depreciation expense of right-of-use assets and machinery, etc.).

Other income and share of results of joint ventures and associates was US$168.1million (2021: US$1,021.0 million). The private equity market was cooled down during 2022 which led to less profit contribution from the share of results of joint ventures and associates. The fluctuation was also partially derived from volatility in share price of the listed investments in the secondary market.

Financial review (continued)

Gain on disposal of subsidiaries was US$1,230.0 million (2021: US$552.7 million). The increase primarily attributable to the gains from the disposal of seed assets to GLP managed funds and fund management business restructuring in 2022.

The net profit for the year was US$1,446.7 million (2021: US$1,885.5 million). Despite a challenging economic landscape, GLP China has still delivered a stable profitability result in 2022. With visionary business strategies in place and confident of our industry-leading expertise, we believe we can continue to provide customers with high quality and best-in-class new economy infrastructure, combined with advanced technical and business solutions.

We have implemented prudent financial management policies that have enabled us to maintain a good credit profile, disciplined investment approach and strong balance sheet with sustainable growth. We benefit from accessing to diversified and multi-channel financing solutions including but not limited to bilateral loans, syndicated loans, capital markets, funds and other borrowings and equity. As of 31 December 2022, we have a total debt of US$10.0 billion (2021: US$8.4 billion), net debt of US$8.6 billion (2021: US$7.7 billion), and net debt to asset (excluding cash) ratio of 23.15% (2021: 22.87%), respectively.

Risk management

We place an extremely high importance on risk management. We believe that risk management is not just about minimizing downside risk, but also enables us to take on the necessary risks to grow and create value. We are committed to fostering a strong risk governance culture which encourages identification and proactive management of these risks.

The process of risk management is incorporated into day-to-day operations and forms an integral part of all decision-making processes with GLP China.

For example, our operation in China is naturally exposed to foreign exchange rate fluctuations, and our pre-tax profit is exposed to currency risks through sales and purchases which give rise to receivables, payables and cash balances denominated in foreign currencies, primarily United States dollars. In respect of the monetary assets and liabilities denominated in foreign currencies, we ensure that the net exposures to this risk is kept to an acceptable level by monitoring the currency gap and keep reducing our exposure by holding monetary assets and liabilities denominated in foreign currencies in short-term period.

We are also exposed to interest rate risk arising primarily from variable-rate borrowings and cash balances. We manage the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis.

Individual operating entities within GLP China are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands. Our policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

Environmental social and governance

We are committed to a broad range of environmental, social and governance (ESG) commitments that elevate our business, create value for our shareholders and investors, support our employees and customers, and show respect to the local communities in which we work. We believe ESG is our corporate responsibility as business builders and investors as well as an opportunity to promote good business ethics and focus on a more sustainable and resilient future.

We focus on improving efficiency across our businesses through the use and integration of data and technology. As a result, we are able to reduce consumption, better manage assets and invest capital more efficiently, which in turn generates better returns for our shareholders and investors, reduces costs for our customers and partners, and helps our global H P S O R \ H H V E \ L Q F U H D V L Q J P R W L Y D W L R Q D Q G S U R G X F W L Y L W \

We aim to be a global leader on integrated ESG commitments because we believe that sustainability is an essential part of our long-term success as global corporate citizens. To be a global leader we are committed to continuously improving our ESG policy to meet or exceed evolving standards and expectations of our shareholders, investors, customers, employees and communities.

Building business and investing responsibility means embedding ESG into our investment and decision-making process. This helps us to identify and avoid ESG risks. We understand and identify how our activities can impact material ESG factors and how these can affect our reputation, value and stakeholders. We focus on how we can best support our workforce, whether it is our own employees or contractors and suppliers. We recognize how we can work with the communities where we operate business and enhance our presence through H F R Q R P L F G H Y H O R S P H Q W O L P L W L Q J R X U H Q Y L U R Q P H Q W D O L
to operate.

We consider material ESG factors during development, and operations. Our teams are empowered to prioritise, act, track and monitor the sustainability performance of our businesses and operations and collaborate with our workforce, partners and communities. Consistent ESG perfo U P D Q F H D F U R V V D Q D V V H W ¶ V O L I H V W \ O H K H O S V
sustainability of assets.

As a global business builder, our mission is to build sustainable businesses, while providing exceptional operational services that enhance value. We focus on enhancing value through asset management, effective operations and improving efficiency of our business and assets through the integration of technology and innovation including data analytics, robotics, automated clearance systems, digital loading docks, smart sorting, telematics, energy-efficient fleet management systems, Internet of Things, resource conservation and renewable energy.

To provide our global customers with increased opportunities to enhance their sustainability endeavours, we focus on sustainability initiatives that increase resource conservation, leverage climate action, improve health and well-being and support local communities.

Environmental social and governance (continued)

We are committed to maintaining the highest standards of corporate governance as a means of enhancing corporate performance and accountability. To demonstrate our commitment towards excellence in corporate governance, we have established a series of well-defined SROLFLHV DQG SURFHVVHV WR SURWHFW RXU VWDNHKROGHUV recognizes the importance of strong corporate governance and the maintenance of high standards of accountability to our shareholders and remains firmly committed to seeing that those standards are satisfied through an evolving suite of governance practices that are woven into the fabric of our business.

We continually review and refine its processes in light of best practice, consistent with the needs and circumstances of the group. We maintain a zero-tolerance approach to bribery and corruption and require all management and employees to comply with our Code of Business Conduct at all times and provide annual certification.

We aim to incorporate health and well-being throughout our organization and assets in support of our employees, customers and the communities in which we work. By focusing on promoting well- EHLQJ ZH FDQ HQKDQFH DQ LQGLYLGXDOV OLYHOLKR productivity as well as bring communities together.

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[redacted]

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Independent auditor's report to the members of GLP China Holdings Limited (continued)

(Incorporated in Hong Kong with limited liability)

Key audit matters (continued)

The key audit matter	How the matter was addressed in our audit
As at 31 December 2022, the Group had a significant portfolio of investment properties with respect to logistics and warehousing	Our audit procedures to assess the valuation of investment properties included the following:

...statements and the accounting policies on note 2(j).

...standards and ...y assumptions ...to be applied.

...to the prevailing accounting ...the appropriateness of the ke... and pa...

policies on note 2(d) and 2(f).

The key audit matter	How the matter was addressed in our audit
The Group holds interests in limited liability partnerships and acts as the limited partner in these limited liability partnerships. These limited liability partnerships are [illegible]	Our audit procedures to assess the following: • obtaining an understanding of the Group's

[illegible] involved in assessing Group's ability to control or exercise significant influence over the [illegible] decisions where general partners of these [illegible]

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Independent auditor's report to the members of GLP China Holdings Limited (continued)

report here.

alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significa

Consolidated Statement of Comprehensive Income for the year ended 31 December 2022

Ø	Notes	Year ended 31 December 2022	Year ended 31 December 2021
Ø	Ø	8 6 ¶	8 6 ¶
Ø	Ø		
Revenue	4	1,205,310	1,259,313
Ø	Ø		
Other income	5	3,138	355,579
Cost of goods sold	Ø	(6,684)	(3,881)
Property-related and other business expenses	Ø	(558,165)	(381,534)
Other expenses	Ø	(296,994)	(299,807)
Changes in fair value of investment properties	Ø	933,515	973,433
Share of results (net of tax expense) of joint ventures	Ø	46,415	164,047
Share of results (net of tax expense) of associates and loss on disposal of associates	Ø	118,552	501,336
Ø	Ø		
Profit from operations	Ø	1,445,087	2,568,486
Ø	Ø		
Finance costs	6	(684,773)	(501,954)
Finance income	6	136,657	98,519
Ø	Ø		
Net finance costs	6	(548,116)	(403,435)
Gain on acquisition of subsidiaries	29	-	19,477
Gain on disposal of subsidiaries	29	1,230,002	552,697
Gain on disposal of investment properties	Ø	3,020	13,642
Ø	Ø		
Profit before taxation	7	2,129,993	2,750,867
Ø	Ø		
Tax expense	8	(683,329)	(865,333)
Ø	Ø		
Profit for the year	Ø	1,446,664	1,885,534
Ø	Ø		
Profit attributable to:	Ø		
Ø	Ø		
Owners of the Company	Ø	1,290,298	1,414,637
Non-controlling interests	Ø	156,366	470,897
Ø	Ø		
Profit for the year	Ø	1,446,664	1,885,534

The notes on pages 26 to 117 form part of these financial statements.

Consolidated Statement of Comprehensive Income for the year ended 31 December 2022 (continued)

Ø	Note	Year ended 31 December 2022	Year ended 31 December 2021
Ø	Ø	8 6 ¶	8 6 ¶
Ø	Ø		
Profit for the year	Ø	1,446,664	1,885,534
Ø	Ø		
Other comprehensive income for the year	10		
Ø	Ø		
Items that will not be reclassified to profit or loss:	Ø		
Surplus on revaluation of buildings held for own use carried at fair value	Ø	-	5,024
Change in fair value of other investments	Ø	(72,989)	115,480
Ø	Ø		
Items that may be reclassified subsequently to profit or loss:	Ø		
Exchange differences on translation of financial statements from functional currency to reporting currency	Ø	(1,815,663)	429,019
Share of other comprehensive income of joint ventures	Ø	13,177	(3,236)
Share of other comprehensive income of associates	Ø	359	7,801
Ø	Ø		
Other comprehensive income for the year	Ø	(1,875,116)	554,088
Ø	Ø		
Total comprehensive income for the year	Ø	(428,452)	2,439,622
Ø	Ø		
Total comprehensive income attributable to:	Ø		
Ø	Ø		
Owners of the Company	Ø	(78,253)	1,844,570

Consolidated Statement of Financial Position as at 31 December 2022

Ø	Notes	31 December 2022	31 December 2021
Ø	Ø	8 6 ¶	8 6 ¶
Non-current assets	Ø		
Ø	Ø		
Investment properties	11	13,880,385	15,269,504
Joint ventures	13	2,809,348	3,080,404
Associates	14	2,844,715	2,811,647
Deferred tax assets	15	54,468	24,657
Property, plant and equipment	16	1,352,456	823,082
Intangible assets	17	703,948	316,716
Other investments	18	2,512,638	2,336,864
Other non-current assets	19	1,995,642	716,633
Ø	Ø		
Ø	Ø	26,153,600	25,379,507
Ø	Ø		
Current assets	Ø		
Ø	Ø		
Trade and other receivables	20	4,211,604	2,889,843
Assets classified as held for sale	21	6,608,509	5,532,665
Cash and cash equivalents	22	1,489,426	716,941
Ø	Ø		
Ø	Ø	12,309,539	9,139,449
Ø	Ø		
Total assets	Ø	38,463,139	34,518,956
Ø	Ø		
Equity attributable to owners of the Company	Ø		
Ø	Ø		
Share capital	23	6,950,825	6,950,825
Reserves	24	7,162,993	7,278,443
Ø	Ø		
Ø	Ø	14,113,818	14,229,268
Non-controlling interests	Ø	6,145,160	5,627,871
Ø	Ø		
Total equity	Ø	20,258,978	19,857,139

Consolidated Statement of Financial Position
as at 31 December 2022 (continued)

	Notes	31 December 2022 US$'000	31 December 2021 US$'000
Deferred tax liabilities	15	1,417,960	1,751,698
Other non-current liabilities	26	711,512	500,368
		9,745,965	9,2[illegible]
[illegible]		[illegible]	[illegible]
Total liabilities		[illegible]	[illegible]
Total equity and liabilities		[illegible]	[illegible]

Approved and authorised for issue by the Board of Directors on 31 March 2023

Consolidated Statement of Changes in Equity for the year ended 31 December 2022

	Share capital	Capital and PRC statutory reserve	Equity compensation reserve	Currency translation reserve	Property revaluation reserve	Fair value reserve (non-recycling)	Other reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling interests	Total equity
At 1 January 2021	6,950,825	3,838	36,849	(129,913)	6,730	113,227	(1,554,630)	6,956,745	12,383,671	5,176,090	17,559,761

Consolidated Statement of Changes in Equity for the year ended 31 December 2022 (continued)

	Share capital	Capital and PRC statutory reserve	Equity compensation reserve	Currency translation reserve	Fair value reserve (non-recycling)	Other reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling interests	Total equity
Ø	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶
Ø										
At 1 January 2022	6,950,825	90,779	36,849	174,951	228,707	(1,554,630)	8,301,787	14,229,268	5,627,871	19,857,139
Ø										
Total comprehensive income for the year										
Profit for the year	-	-	-							

Consolidated Cash Flow Statement for the year ended 31 December 2022

Ø Ø	Year ended 31 December 2022 8 6 ¶	Year ended 31 December 2021 8 6 ¶
Cash flows from operating activities		
Ø		
Profit before taxation	2,129,993	2,750,867
Adjustments for:		
Amortisation of intangible assets	9,579	1,369
Amortisation of deferred management costs	-	133
Depreciation of property, plant and equipment	49,068	28,137
Loss/(gain) on disposal of property, plant and equipment	8,549	(138)
Gain on disposal of subsidiaries	(1,230,002)	(552,697)
Gain on acquisition of subsidiaries	-	(19,477)
Gain on disposal of associates	-	(7,360)
Gain on disposal of investment properties	(3,020)	(13,642)
Share of results (net of tax expense) of joint ventures	(46,415)	(164,047)
Share of results (net of tax expense) of associates and loss on disposal of associates	(118,552)	(501,336)
Changes in fair value of investment properties	(933,515)	(973,433)
Changes in fair value of financial assets	60,960	(288,301)
Impairment losses on trade and other receivables	2,297	993
Other expenses	42,095	44,587
Net finance costs	548,116	403,435
Dividend income	(46,707)	(14,199)
Ø		
Ø	472,446	694,891
Changes in working capital:		
Trade and other receivables	66,569	(669,592)
Trade and other payables	98,635	740,490
Ø		
Cash generated from operations	637,650	765,789
Tax paid	(106,390)	(150,973)
Ø		
Net cash generated from operating activities	531,260	614,816

The notes on pages 26 to 117 form part of these financial statements.

Consolidated Cash Flow Statement for the year ended 31 December 2022 (continued)

Ø	Note	Year ended 31 December 2022	Year ended 31 December 2021
Ø	Ø	8 6 ¶	8 6 ¶
Cash flows from investing activities	Ø		
Ø	Ø		
Acquisitions of subsidiaries, net of cash acquired	29	(1,489,646)	(957,490)
Disposal of subsidiaries, net of cash disposed	29	1,645,155	4,224,412
Capital contribution to joint ventures	Ø	(56,963)	(756,503)
Capital contribution to associates	Ø	(429,287)	(785,650)
Dividends received from joint ventures	Ø	94,957	10,850
Dividends received from associates	Ø	146,547	55,306
Dividends received from other investments	Ø	49,558	-
Payment for purchase of property, plant and equipment	Ø	(323,533)	(205,036)
Payment for purchase of other investments	Ø	(689,792)	(393,210)
Proceeds from disposal of property, plant and equipment	Ø	7,614	1,033
Proceeds from disposal of investment properties	Ø	11,959	8,644
Proceeds from disposal of other investments	Ø	298,935	7,704
Proceeds from disposal of associates and joint ventures	Ø	522,011	110,117
Withholding tax paid on disposal gain, dividend and interest income from subsidiaries	Ø	(45,221)	(219,850)
Development expenditure on investment properties	Ø	(819,985)	(1,279,504)
Deposit paid for acquisitions of investment properties	Ø	(101,159)	(116,929)
Loans to joint ventures	Ø	(48,880)	(43,592)
Loans to associates	Ø	(81,322)	(48,313)
Loans to non-controlling interests	Ø	(7,123)	(7,243)
Loans to third parties	Ø	-	(349,419)
Loans to intermediate holding company and other related parties		(1,525,653)	(821,895)
Repayment of loans from joint ventures	Ø	18,615	72,136
Repayment of loans from associates	Ø	204,638	94,453
Repayment of loans from non-controlling interests	Ø	-	41,293
Repayment of loans from third parties	Ø	76,571	275,595
Repayment of loans from other related parties	Ø	86,227	68,135
Interest income received	Ø	77,092	61,470
Ø	Ø		
Net cash used in investing activities	Ø	(2,378,685)	(953,486)

The notes on pages 26 to 117 form part of these financial statements.

Consolidated Cash Flow Statement
for the year ended 31 December 2022 (continued)

Ø	Note	Year ended 31 December 2022	Year ended 31 December 2021
Ø	Ø	8 6 ¶	8 6 ¶
Cash flows from financing activities	Ø		
ø	ø		(
Capital contribution from non-controlling interests	Ø	2,261,029	457,544
Deposits received from issue of co-invest shares	Ø	2,416	4,398
Repayment of loans from non-controlling interests	22(b)	(3,204)	(10,202)
Proceeds of loans from third parties	22(b)	2,571	-
Repayment of loans from third parties	22(b)	(700)	(637)
Proceeds of loans from associates	22(b)	4,770	-
Repayment of loans from associates	22(b)	(28,501)	-
Proceeds of loans from other related parties	22(b)	366,911	-
Repayment of loans from other related parties	22(b)	(234,290)	-
Proceeds from bank loans	22(b)	9,843,571	6,713,692
Repayment of bank loans	22(b)	(6,433,457)	(6,829,248)
Proceeds from issue of bonds	22(b)	322,532	2,751,731
Repayment of bonds	22(b)	(1,044,139)	(2,633,904)
Interest paid	22(b)	(509,893)	(500,670)
Dividends paid to non-controlling interests	Ø	(1,705,559)	(35,223)
Acquisition of interests in subsidiaries from non-controlling interests	Ø	(60,255)	(220,286)
Proceeds from disposal of interests in subsidiaries to non-controlling interests	Ø	314,423	638,517
Proceeds of loans from non-controlling interests	22(b)	1,646	-
Capital withdrawal from non-controlling interests	Ø	(1,255)	(244,589)
Cash payments for principal portion of lease liabilities	22(b)	(19,384)	(14,400)
Cash payments for interest portion of lease liabilities	22(b)	(7,474)	(6,852)
Dividend paid to co-invest shareholders	Ø	(6,833)	-
Deposits pledged for bank loans	Ø	(57,548)	-
ø	ø		(
Net cash generated from financing activities	Ø	3,007,377	69,871
ø	ø		(
Net increase/(decrease) in cash and cash equivalents	Ø	1,159,952	(268,799)
ø	ø		(
Cash and cash equivalents at beginning of year	Ø	963,449	1,222,062
Effect of exchange rate changes on cash balances held in foreign currencies	Ø	(53,278)	10,186
ø	ø		(
Cash and cash equivalents at end of year	22	2,070,123	963,449

The notes on pages 26 to 117 form part of these financial statements.

Notes to the Financial Statements

1. General information

The Company was set up in Hong Kong on 15 October 2013 by CLH Limited, a subsidiary of GLP Pte. /WG ZKLFK ZDV LQFRUSRUDWHG LQ WKH 5HSXEOLF RI 6L

&/+ /LPLWHG DQG *OREDO /RJLVWLF 3URSHUWLHV +ROGLQJ /LP incorporated companies, are intermediate holding vehicles 100% owned by GLP Limited. CLHLiPLWHG KROGV LWV VKDUHV LQ SURMHFW FRPSDQLHV LQFR &KLQD WKH ³35&´ WKURXJK YDULRXV LQWHUPHGLDWH RIIVKR Barbados, Singapore and Hong Kong. GLPH Limited holds its shares in GLP Investment 6KDQJKDL &R /WG ³&0&´ D PDQDJHPHQW FRPSDQ\ LQFRUS intermediate holding companies, China Management Holding Srl, incorporated in Barbados, and China Management Holdings (Hong Kong) Limited, incorporated in Hong Kong.

In October 2013, subsequent to the establishment of the Company, GLP China Asset +ROGLQJV /LPLWHG IRUPHU QDPH ³,RZD &KLQD $VVHW +ROGL $VVHW +ROGFR´ ZDV WKHQ HVWDEOLVKHG DV D GLUHFW VXEV Hold LQJV /LPLWHG ³+. +ROGLQJ 3ODWIRUP´ DQG */3 6* +ROGLQ 3ODWIRUP´ ZHUH WKHQ HVWDEOLVKHG DV VXEVLGLDULHV RI &

On 20 May 2014, certain intermediate offshore holding companies incorporated in Singapore, together with their subsidiaries and joint ventures were transferred to SG Holding Platform, and the rest of the intermediate offshore holding companies incorporated in Barbados, Singapore and Hong Kong, together with their subsidiaries and joint ventures were then transferred to HK Holding Platform. On the same date, GLPH Limited transferred its shares in China Management Holding Srl to the Company.

2. Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2022 comprise the Group and the Group ¶V LQWHUHVWV LQ DVVRFLDWHV DQG MRLQW YHQ

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- equity investments (see note 2(h)); and
- investment properties (see note 2(j)).

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell (see note 2(z)).

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thousand. All financial information presented in USD has been translated based on the accounting policy set out in note 2(x).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. Significant accounting policies (continued)

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Changes in accounting policies

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

- Amendments to HKAS 16, Property, plant and equipment: Proceeds before intended use
- Amendments to HKAS 37, Provisions, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended HKFRSs are discussed below:

Amendments to HKAS 16, Property, plant and equipment: Proceeds before intended use

The amendments prohibit an entity from deducting the proceeds from selling items produced before that asset is available for use from the cost of an item of property, plant and equipment. Instead, the sales proceeds and the related costs should be included in profit and loss. The amendments do not have a material impact on these financial statements as the Group does not sell items produced before an item of property, plant and equipment is available for use.

Amendments to HKAS 37, Provisions, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract

The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Previously, the Group included only incremental costs when determining whether a contract was onerous. In accordance with the transitional provisions, the Group has applied the new accounting policy to contracts for which it has not yet fulfilled all its obligations at 1 January 2022, and has concluded that none of them is onerous.

2. Significant accounting policies (continued)

(d) Subsidiaries and non -controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non- F R Q W U R O O L Q J L Q W H U H V W V ¶ S U R S R U W
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Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2(r) or 2(s) depending on the nature of the liability.

Changes in the Group ¶ V L Q W H U H V W L Q D V X E V L G L D U \ W K D W G R Q R W U
accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(h)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 2(f)).

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cost less impairment losses (see note 2(m)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2(z)).

2. Significant accounting policies (continued)

(e) Business combination for entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group ¶V FRQWURROLQJ VKDUHKROGHU¶V consolidated financial statements. The components of equity of the acquired entities are DGGHG WR WKH VDPH FRPSRQHQWV ZLWKLQ *URXS¶V HTXLW\ H acquired entities is recognised as part of merger reserves in other reserves.

(f) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or the Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2(z)). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group¶V VKDUH RI the acquisition- GDWH IDLU YDOXHV RI WKH LQYHVWHH¶V LGHQWLILDE investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group¶V VKDUH RI WKH assets and any impairment loss relating to the investment (see notes 2(g) and 2(m)). Any acquisition-date excess over cost, the Group¶V share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of comprehensive income, whereas the Group¶V VKDUH RI acquisition post-WD[LWHPV RI WKH LQYHVWHHV¶ RV comprehensive income is recognised in the consolidated statement of comprehensive income and other comprehensive income.

When the Group¶V VKDUH RI ORVVHV H[FHHGV LWV LQWHUHVW LQ W the Group¶V LQWHUHVW LV UHGXFHG WR QLO DQG UHFRJQLWLRQ I to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group¶V LQWHUHVW LV WKH FDUU\LQ investment under the equity method together with the Group¶V long-term interests that in substance form part of the Group¶s net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the Group¶V LQWHUHVW LQ WKH investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

2. Significant accounting policies (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(h)).

In the Company's statement of financial position, investments in subsidiaries, associates and joint ventures are stated at cost less impairment losses (see note 2(m)), unless classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 2(z)).

(g) Goodwill

Goodwill represents the excess of

(i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over

(ii) the net fair value of the acquiree's identifiable assets and liabilities at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(m)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(h) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVTPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 30(f). These investments are subsequently accounted for as follows, depending on their classification.

2. Significant accounting po licies (continued)

(i) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 2(w)(v)).

- fair value through other comprehensive income (FVOCI) - recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

- fair value through profit or loss (FVTPL) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the L Q Y H V W P H Q W P H H W V W K H G H I L Q L W L R Q R I H T X L W \ I U R P W K H L election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss.

Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 2(w)(iv).

2. Significant accounting policies (continued)

(i) Property, plant and equipment

The following properties held for own use are stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation:

- Buildings held for own use

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of reporting period.

The other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses:

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and

- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(y)).

Items may be produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling any such items and the related costs are recognised in profit or loss.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Furniture, fittings and equipment	1 - 40 years
Buildings held for own use carried at amortised cost	40 years
Right-of-use assets	1 - 20 years

2. Significant accounting policies (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(j) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, used in the production or supply of goods or services, or for administrative purposes. Investment properties comprise completed investment properties, investment properties under re-development, properties under development and land held for development.

Land held for development represents lease prepayments for acquiring rights to use land in the PRC with periods ranging from 40 to 50 years. Such rights granted with consideration are recognised initially at acquisition cost.

(i) Completed investment properties and investment properties under re-development

Completed investment properties and investment properties under re-development are measured at fair value with any changes therein recognised in profit or loss. Rental income from investment properties is accounted for in the manner described in note 2(w).

(ii) Properties under development and land held for development

Property that is being constructed or developed for future use as investment property is initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in profit or loss.

The cost of properties under development comprises specifically identified cost, including the acquisition cost of land use rights for properties under development, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see note 2(y)).

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss is the difference between net disposal proceeds and the carrying amount of the property.

(k) Intangible assets (other than goodwill)

Other intangible assets that are acquired by the Group and have finite useful lives are measured at costs less accumulated amortisation and accumulated impairment losses (see note 2(m)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

2. Significant accounting policies (continued)

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assessed estimated useful lives. Intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

Trademarks	20 years
License rights	over the term of the license period
Customer relationship	10 years

Both the period and method of amortisation are reviewed annually.

(l) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group, are motor vehicles and office furniture. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

2. Significant accounting policies (continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(m)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property are carried at fair value in accordance with note 2(j);

- right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable value in accordance with note 2(n).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group ¶ V H V W L P D W H R I W K H D expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a O H D V H W K D W L V Q R W U R L J L Q D O O \ S U R Y L G H G I R U L P R G L I L F D W L R Q ´ W K D W L V Q R W D F F R X Q W H G I R U D V D V H S D U D remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are any rent concessions which arose as a direct consequence of the COVID-19 pandemic and which satisfied the conditions set out in paragraph 46B of HKFRS 16 Leases. In such cases, the Group took advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

In the statement of financial position, the current portion of long-term lease liabilities is determined as the principal portion of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(v)(i).

2. Significant accounting policies (continued)

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(l)(i), then the Group classifies the sub-lease as an operating lease.

(m) Credit losses and impairment of assets

(i) Credit losses from financial instruments, contract assets and lease receivables

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and loans to associates);
- contract assets as defined in HKFRS 15 (see note 2(o));
- debt securities measured at FVOCI (recycling);
- lease receivables; and
- loan commitments issued, which are not measured at FVTPL

Other financial assets measured at fair value, including units in bond funds, equity securities measured at FVTPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable;
- loan commitments: current risk-free rate adjusted for risks specific to the cash flows.

2. Significant accounting policies (continued)

2. Significant accounting policies (continued)

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Credit losses from financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make VSHFLILHG SD\PHQWV WR UHLPEXUVH WKH EHQHILFLDU\ RI WK holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

)LQDQFLDO JXDUDQWHHV LVVXHG DUH LQLWLDOO\ UHFRJQLVH YDOXH ZKLFK LV GHWHUPLQHG E\ UHIHUHQFH WR IHHV FKDUJ similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group ¶V SROLFLHV DSSOLFDEOH WR WKDW FDWHJRU consideration is received or receivable, an immediate expense is recognised in profit or loss.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when ECLs on the financial guarantees are determined to be higher WKDQ WKH DPRXQW FDUULHG LQ ³WUDGH DQG RWKHU SD\DEOH amount initially recognised, less accumulated amortisation).

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 2(m)(i) apply.

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other partyTye,

2. Significant accounting policies (continued)

(iii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets (other than properties carried at revalued amounts);
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- goodwill; and
- investments in subsidiaries, associates and joint ventures in the Company's statement of financial position

If any such indication exists, the asset's recoverable amount is estimated. For goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

2. Significant accounting policies (continued)

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group ¶V F D V K management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(r) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities, trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(s) Interest -bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group ¶V D F F R X Q W L Q J S R O L F \ I R U E R U U R Z L Q J F R V W V V H H Q R W H

(t) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Share-based payments

For equity-settled share-based payment arrangements, the fair value of share awards and share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share awards and share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Group ¶V V K D U H V 7 K H H T X L W \ D P R X Q W L V U H F R J Q reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits). If the equity instruments granted to employees vest immediately, the fair

2. Significant accounting policies (continued)

value of the equity instruments granted is fully recognised as costs or expenses on the grant date, with a corresponding increase in capital reserve.

For cash-settled share-based payment arrangements, the fair value of the amount payable to employees which is settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the cash-settled share-base payment arrangement. Any changes in the liability are recognised in profit or loss.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2. Significant accounting policies (continued)

(v) Provisions and contingent liabilities

(i) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of fulfilling the contract. The cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling that contract.

(iii) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortization where appropriate, and the amount that would be determined in accordance with note 2(v)(i). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 2(v)(i).

(w) Revenue recognition and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group ¶ V D V V H W V X Q G H U O H D V H V L Q course of the Group ¶ V E X V L Q H V V

The Group is the principal for its revenue transactions and recognises revenue on a gross basis, except for the revenue related to providing utilities to tenants. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group ¶ V D E L O L W \ W I direct the use of and obtain substantially all of the remaining benefits from the products.

2. Significant accounting policies (continued)

Further details of the Group ¶ V U H Y H Q X H D Q G R W K H U L Q F R P H as follows:F R J Q L W L R

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(ii) Sales of goods

Revenue is recognised when the customer takes possession of and accepts the products. Payment terms and conditions vary by customers and are based on the billing schedule established in the contracts or purchase orders with customers. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component as the period of financing is 12 months or less.

(iii) Management fee income

Management fee income is recognised in profit or loss as and when services are rendered.

(iv) Dividends

- ' L Y L G H Q G L Q F R P H I U R P X Q O L V W H G L Q Y H V W P H Q W V L V U H right to receive payment is established.

- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

2. Significant accounting policies (continued)

(v) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(m)(i)).

(vi) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Nonmonetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into USD at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into USD at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

2. Significant accounting policies (continued)

(y) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(z) Non-current assets held for sale and discontinued operations

(i) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 2.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

2. Significant accounting policies (continued)

(ii) Discontinued operations

A discontinued operation is a component of the Group ¶V EXVLQHVV WKH RSHUDWLRQV flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (see (i) above), if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the statement of profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and

- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

(aa) Related parties

(a) A person RU D FORVH PHPEHU RI WKDW SHUVRQ¶V IDPLO\ LV the Group or the Group's parent person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group ¶V parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

2. Significant accounting policies (continued)

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(ii) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group ¶V SDUHQW

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. Accounting estimates and judgements

The following critical accounting policies involve the most significant judgements and estimates used in the preparation of the consolidated financial statements.

(a) Valuation of investment properties

An external independent valuation company, has appropriate recognised professional qualifications and recent experience in the locations and categories of property being valued, values the Group ¶V LQYHVWPHQW SURSHUWLHV at their fair values annually. Fair value is based on market values, being the estimated amount for which a property could be H[FKDQJHG RQ WKH GDWH RI WKH YDOXDWLRQ EHWZHHQ D ZLOOLQJ length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows then is applied to the net annual cash flows to arrive at the property valuation.

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant DFFRPPRGDWLRQ DQG WKH PDUNHW¶V JHQHUDO SHUFHSWLRQ of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

Investment property under construction or development is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction or development, financing costs and a reasonable profit margin.

3. Accounting estimates and judgements (continued)

(b) Impairment of non -financial assets

If circumstances indicate that the carrying amounts of non-financial assets (other than investment properties and deferred tax assets) may not be recoverable, the assets may be considered impaired and are tested for impairment. An impairment loss is recognised when WKH DVVHW¶V UHFRYHUDEOH DPRXQW KDV GHFOLQHG EHORZ I amount is the greater of the fair value less costs to sell and value in use. In determining the recoverable amount which requires significant judgements, the Group estimates the future cash flows to be derived from continuing use and ultimate disposal of the asset and applies an appropriate discount rate to these future cash flows.

(c) Recognition of deferred tax assets

The Group has recognised deferred tax assets in relation to the unused tax losses as set out in note 15. The ability to realise the deferred tax assets mainly depends on whether it is probable that future taxable profits will be available against which related tax benefits under the deferred tax assets can be utilised. In cases where the actual future taxable profits generated are less than expected, a reversal of deferred tax assets may arise, which will be recognised in profit or loss for the period in which such a reversal takes place.

(d) Valuation of unlisted financial instruments

For financial instruments without an active market, the Group adopts valuation techniques that are applicable in the current circumstances and sufficiently supported by available data and other information, and selects inputs that are consistent with the characteristics of the assets or liabilities considered by the market participants in the transactions of the relevant assets or liabilities, and prioritizes the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are unavailable or not reasonably available.

7. Profit before taxation

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

		2022	2021
		8 6 ¶	8 6 ¶
(a)	Staff costs		
	Wages and salaries	(143,466)	(106,919)
	Contributions to defined contribution plans, included in wages and salaries	(14,551)	(14,179)
(b)	Other expenses		
	Amortisation of intangible assets		

8. Tax expense

Ø	2022	2021
Ø	8 6 ¶	8 6 ¶
Ø		
Current tax	53,324	124,684
Withholding tax on foreign-sourced income	389,968	282,931
Ø		
Ø	443,292	407,615
Deferred tax		
Origination and reversal of temporary differences	240,037	457,718
Ø		
Ø	683,329	865,333
Ø		
Reconciliation of expected to actual tax:		
Ø		
Profit before taxation	2,129,993	2,750,867
Less: share of results (net of tax expense) of joint ventures	(46,415)	(164,047)
Less: share of results (net of tax expense) of associates and loss on disposal of associates	(118,552)	(501,336)
Ø		
Profit before share of results of joint ventures and associates (net of tax expense) and loss on disposal of associates	1,965,026	2,085,484
Ø		
Tax expense using PRC tax rate of 25%	491,257	521,371
Effect of different tax from subsidiaries	(131,312)	(31,942)
Net income not subject to tax	(225,870)	(69,414)
Non-deductible expenses	132,153	90,889
Deferred tax assets not recognised	49,182	79,353
Recognition of previously unrecognised tax losses	(22,049)	(7,855)
Withholding tax on foreign-sourced income	389,968	282,931
Ø		
Ø	683,329	865,333

9. ' L U H F W R U V ¶ U H P X Q H U D W L R Q

' L U H F W R U V ¶ U H P X Q H U D W L R Q G L V F O R V H G S X U V X D Q W W R V H F W
Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulation is as follows:

Ø	2022	2021
Ø	8 6 ¶	8 6 ¶
Executive Directors		
Ø		
Salaries allowance and benefits in kind	(2,267)	(3,407)
Discretionary bonuses	(1,568)	(1,708)
Long-term incentive plan	(2,114)	(1,841)
Ø		
Total	(5,949)	(6,956)

10. Other comprehensive income

(a) Tax effects relating to other comprehensive income

	2022			2021		
	Before-Tax amount	Tax expense	Net-of-Tax amount	Before-Tax amount	Tax expense	Net-of-Tax amount
Exchange differences on translation of financial statements from functional currency to reporting currency	(1,815,663)	-	(1,815,663)	429,019	-	429,019
Changes in fair value of properties	-	-	-	6,698	(1,674)	5,024
Change in fair value of other investments	(89,327)	16,338	(72,989)	126,642	(11,162)	115,480
Share of other comprehensive income of jointly ventures and associates	13,536	-	13,536	4,565	-	4,565
Total other comprehensive income	(1,891,454)					

11. Investment properties

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
At 1 January	15,269,504	21,380,459
Additions	768,207	1,486,058
Disposals	(15,603)	(8,645)
Acquisition of subsidiaries (note 29)	1,361,732	1,996,368
Disposal of subsidiaries (note 29)	(569,504)	(4,867,634)
Borrowing cost capitalised (note 6)	22,140	21,133
Changes in fair value	933,515	973,433
Reclassification to assets held for sale (note 21)	(2,186,593)	(6,258,089)
Effect of movements in exchange rates	(1,703,013)	546,421
Ø		
At 31 December		

11. Investment properties (continued)

31 December 2022

	The Group			
	Level 1	Level 2	Level 3	Total

11. Investment properties (continued)

Ø	Valuation Techniques	Unobservable input	Range
Ø			!
Investment properties without facilities	Income Capitalisation method	Capitalisation rate	4.25% - 7.00%
	Discounted cash flow and	Discount rate Terminal yield	7.25% - 10.50%
Ø	Residual value	capitalisation rate	4.25% - 7.00%

Descriptions of the sensitivity in unobservable inputs and inter-relationship:

The fair value measurement is negatively correlated to the unobservable input that the lower the factor will result in a higher fair value.

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YDOXH RI LQYHVWPHQW SURSHUWLHV LV UHFRJQLVHG LQ WKH Consolidated statement of comprehensive RI WKH
income.

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UHYDOXDWLRQ RI EXLOGLQJV KHOG IRU RZQ XVH FDUULHG DW
statement of comprehensive income.

Investment properties are held mainly for leasing to external customers under operating leases. Generally, the leases contain an initial non-cancellable period of one to twenty years. Subsequent renewals are negotiated with the lessees. There are no contingent rents arising from the lease of investment properties.

Interest capitalised as costs of investment properties amounted to approximately US$22,140,000 (31 December 2021: US$21,133,000) during the year. The capitalisation rates of borrowings range from 3.30% to 6.77% for the year ended 31 December 2022 (31 December 2021: 3.80% to 6.77%).

Investment properties with carrying value of totalling approximately US$11,370,060,000 as at 31 December 2022 (31 December 2021: US$11,318,951,000) were mortgaged to secure credit facilities for the Group (note 25).

Operating lease rental receivables

Future minimum rental receivables of the Group on non-cancellable operating leases from investment properties are as follows:

Ø	31 December 2022	31 December 2021
Ø	86 ¶	86 ¶
Ø		
Lease payments receivable:		
- Within 1 year	391,569	437,647
- After 1 year but within 5 years	713,861	843,309
- After 5 years	293,534	385,738
Ø		
Ø	1,398,964	1,666,694

12. Investments in subsidiaries

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

ð	Proportion of ownership interest					
Name of subsidiaries	Place of incorporation and business	* U R X effective interest	Held by the Company	Held by a subsidiary	Registered capital	Principal activities
Ø	!	!	!	!	!	!
CLF Fund II	Cayman Islands/PRC	30.93%	-	30.93%	US$'000 3,725,000	Property investment
GLP China Income Partners V, LP	Singapore/PRC	34.70%	-	34.70%	US$'000 2,450,000	Property investment
GLP Investment (Shanghai) Co. Ltd	PRC	100.00%	-	100.00%	US$'000 1,700,000	Property management
CLH 20 (Cayman) Limited	Cayman Islands.	100.00%	-	100.00%	US$'000 0.001	Investment holding
Zhuhai Puyin Logistic Investment Partnership (LP)	PRC	99.98%	-	99.98%	RMB'000 6,590,000	Investment holding
Airport City Development Co., Ltd.	PRC	53.14%	-	53.14%	RMB'000 1,800,000	Property investment
GLP Thor LP Limited	Cayman Islands.	100.00%	-	100.00%	US$'000 0.001	Investment holding
Shanghai Yinshan Zhineng Corporation Management Partnership (LP)	PRC	82.18%	-	82.18%	RMB'000 7,000,100	Investment holding
Zhuhai Puxing Logistic Industry Equity Investment Partnership (LP)	PRC	99.00%	-	99.00%	RMB'000 3,535,354	Property investment
Zhuhai Puhang Equity Investment Fund Partnership (LP)	PRC	39.95%	-	39.95%	RMB'000 3,600,000	Property investment
Xiamen Mingsi Junju Investment Fund LLP	PRC	100.00%	-	100.00%	RMB'000 2,500,000	Investment holding
Beijing Lihao Science & Technology Co., Ltd.	PRC	88.00%	-	88.00%	RMB'000 650,944	Property investment
Zhejiang Transfar Logistics Base Co., Ltd.	PRC	60.00%	-	60.00%	RMB'000 185,500	Property investment
Beijing Kirin Property Management Development Co.,Ltd	PRC	80.00%	-	80.00%	RMB'000 100,000	Property investment
Hidden Hill Fund I, L.P.	Cayman Islands	100.00%	-	100.00%	US$'000 206,271	Investment holding

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12. Investments in subsidiaries (continued)

The following table lists out the information relating to changes in non-controlling interests ³1&,´ DQG WKH Vthe EGroupGwiDhUaveMaterial NCI.

ð	Changes in NCI						
ð	CLF I	CLF II	CIP V	ACL	CIF VI	Subsidiaries without material NCI after elimination	Total
Ø	86 ¶	86 ¶	86 ¶	86 ¶	86 ¶	86 ¶	86 ¶
Ø							
Balance at 1 January 2021	1,674,504	1,267,024	-	537,270	-	1,697,292	5,176,090
Profit for the year	169,970	194,655	-	24,814	-	81,458	470,897
Exchange differences on translation of financial statements from functional currency to reporting currency	48,810	22,175	-	12,875	-	40,295	124,155
Capital contribution from NCI	-	308,327	-	-	-	149,217	457,544
Capital withdrawal from NCI	(244,589)	-	-	-	-	-	(244,589)
Other adjustment	-	-	-	-	-	(95,033)	(95,033)
Acquisition of subsidiaries (note 29)	-	2,944	-	-	-	97,430	100,374
Disposal of subsidiaries (note29)	-	-	-	-	-	(727,036)	(727,036)
Acquisition of interests in subsidiaries from NCI	-	(44,774)	-	-	-	(179,084)	(223,858)
Disposal of interest in a subsidiary to NCI	-	537,075	-	-	-	87,475	624,550
Dividends paid to non-controlling interests	-	-	-	-	-	(35,223)	(35,223)
Ø							
Balance at 31 December 2021 and 1 January 2022	1,648,695	2,287,426	-	574,959	-	1,116,791	5,627,871
Ø							

12. Investments in subsidiaries (continued)

The following tables list out the information relating to CLF I, CLF II, CIP V, ACL and CIF VI the subsidiaries of the Group which have material non- F R Q W U R O O L Q J L Q W H U H V W 3 1 & summarised financial information presented below represent the amounts before any inter-company elimination.

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
CLF I		
Ø		
NCI percentage	69.88%	69.88%
Current assets	1,475,739	4,467,499
Current liabilities	(1,457,203)	(2,117,227)
Net assets	18,536	2,350,272
Carrying amount of NCI	12,953	1,648,695
Ø		
Ø	2022	2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	112,966	228,292
Profit for the year	683,865	243,223
Total comprehensive income	500,173	313,068
Profit allocated to NCI	477,887	169,970
Net cash increase	14,682	85,510

12. Investments in subsidiaries (continued)

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
CLF II		
Ø		
NCI percentage	69.07%	60.50%
Current assets	313,870	276,061
Non-current assets	6,172,882	5,643,476
Current liabilities	(512,242)	(689,248)
Non-current liabilities	(2,007,013)	(1,537,630)
Non-controlling interests	(108,284)	(106,053)
Net assets	3,859,213	3,586,606
Carrying amount of NCI	2,773,842	2,287,426
Ø		
Ø	2022	2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	174,866	102,234
Profit for the year	244,142	351,916
Total comprehensive income	(86,990)	431,804
Profit allocated to NCI	171,054	221,508
Net cash increase	89,570	22,487

Ø	31 December 2022
Ø	8 6 ¶
CIP V (Note)	
Ø	
NCI percentage	65.30%
Current assets	355,637
Non-current assets	4,352,806
Current liabilities	(110,245)
Non-current liabilities	(2,388,794)
Net assets	2,209,404
Carrying amount of NCI	1,430,270
Ø	
Ø	2022
Ø	8 6 ¶
Ø	
Revenue	113,235
Loss for the year	(169,783)
Total comprehensive income	(240,596)
Loss allocated to NCI	(126,356)
Net cash increase	320,457

Note: The assets/liabilities of CIP V are classified as held for sale at 31 December 2022 (note 21).

12. Investments in subsidiaries (continued)

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
ACL		
Ø		
NCI percentage	46.86%	46.86%
Current assets	84,542	83,964
Non-current assets	1,873,571	2,013,303
Current liabilities	(121,590)	(148,011)
Non-current liabilities	(655,112)	(711,109)
Net assets	1,181,411	1,238,147
Carrying amount of NCI	548,816	574,959
Ø		
Ø	2022	2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	99,166	91,217
Profit for the year	49,701	52,952
Total comprehensive income	(55,786)	80,427
Profit allocated to NCI	23,291	24,814
Net cash increase	5,584	10,272

Ø	31 December 2022
Ø	8 6 ¶
CIF VI (Note)	
Ø	
NCI percentage	60.05%
Current assets	311,847
Non-current assets	1,057,166
Current liabilities	(392,321)
Non-current liabilities	(596,574)
Net assets	380,118
Carrying amount of NCI	317,884
Ø	
Ø	2022
Ø	8 6 ¶
Ø	
Revenue	6,549
Profit for the year	18,613
Total comprehensive income	18,613
Profit allocated to NCI	11,202
Net cash increase	305,762

Note: The assets/liabilities of CIF VI are classified as held for sale at 31 December 2022 (note 21).

13. Joint ventures

Ø	Notes	31 December 2022	31 December 2021
Ø	Ø		
China Merchants Capital Investment Co., / W G ³ & 0 & , ´	(a)	799,786	891,263
* / 3 7 K R U) X Q G , / 3 ³ 7 K F	(b)	570,589	633,021
Beijing Jintonggang Real Estate ' H Y H O R S P H Q W & R / W G	(c)	331,012	362,772
GLP Guoyi (Zhuhai) Acquisition Fund (LP) ³ & 9 $,) X Q G ´	(d)	234,492	278,905
Others	(e)	873,469	914,443
Ø	Ø		
Ø	Ø	2,809,348	3,080,404

All the joint ventures are unlisted corporate entities whose quoted market prices are not available.

(a) CMCI

On 24 March 2020, the Group entered into an investment partnership with China Merchants * U R X S ³ & 0 * ´ E \ D F T X L U L Q J H T X L W \ L Q W H U H V W L Q & K L Q D 0

13. Joint ventures (continued)

	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	142,607	390,813
Profit for the year from continuing operation	71,129	308,523
Profit attributable to NCI	(26,632)	(99,710)
Profit attributable to equity shareholders	44,497	208,813
Total comprehensive income	105,855	300,515
Total comprehensive income attributable to equity shareholders	75,530	202,141
* U R X S ¶ V H[LVWLQJ LQWHUHVW W L Y H	50.00%	50.00%
Share of results (net of tax expense) of joint ventures	22,249	104,407
Ø		
Included in the above profit:		
Interest expense	(62,783)	(58,724)
Interest income	2,673	1,234
Income tax expense	(26,166)	(101,773)

(b) Thor Fund

In June 2021, the Group completed the formation of Thor Fund with Grand Master 7 H F K Q R O R J \ / L P L W H G ³ * U D Q G 0 D V W H U ´) X Q G ¶ V X Q L W V F D S L W D O R I Q Z K L F K the Group injects capital of RMB4,000,000,000 for 50.1% equity interest of the Thor Fund. The Thor Fund invests in a portfolio of data centers, including properties and related infrastructure. As the general S D U W Q H U D Q G W K H N H \ G H F L V L R Q P D N L Q J R I 7 K R U) X Q G ¶ V X Q controlled by the Group and Grand Master, Thor Fund is accounted for as a joint venture of the Group upon its formation.

According to the agreement between the Group and Grand Master, after the defined business conditions are met, the Group may obtain the power to control key decision-making of the underlying operating entities. Further, the Group may be required to pay contingent consideration when certain financial performance is achieved by the underlying operating entities.

As at 31 December 2022, these underlying data centers are still under construction, and the conditions for paying contingent consideration are not met.

13. Joint ventures (continued)

Summarised financial information of Thor Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Non-current assets	3,198,119	2,493,966
Current assets	108,707	182,091
Non-current liabilities	(574,333)	(627,382)
Current liabilities	(154,224)	(121,713)
Equity attributed to equity shareholders	2,578,269	1,926,964
* U R X S ¶ V H I I H F W L Y H L Q W H U H V '	50.10%	50.10%
Carrying amount in the consolidated financial statements	570,589	633,021
Ø		
Included in the above assets and liabilities:		
Cash and cash equivalents	23,666	30,541
Non-current financial liabilities (excluding trade and other payables)	(574,333)	(627,382)

	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	7,155	

13. Joint ventures (continued)

(c) Z3 Project

Beijing Jintonggang 5HDO (VWDWH 'HYHORSPHQW &R /WG UHIHUUHG property developer and constructor incorporated in the PRC. The Group obtained joint control of Jintonggang through acquiring 100% shares of five limited partnerships which hold equity interests in Jintonggang, namely Beijing Zhengqi Shangcheng Investment Center LLP, Beijing Zhengqi Shangxin Investment Center LLP, Beijing Zhengqi Shangde Investment Center LLP, Beijing Zhengqi Shangyu Investment Center LLP and Beijing Zhengqi Shanghui Inv HVWPHQW &HQWHU //3 MRLQWO\ UHIHUUHG WR DV ³= 3URMH

Summarised financial information of Z3 Project, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

Ø	31 December	31 December

13. Joint ventures (continued)

(d) CVA I Fund

CVA I Fund is a limited partnership established in the PRC in February 2018 by the Group and another third party investor with total equity commitments of RMB9.8 billion (equivalent to approximately US$1.4 billion). The Fund engages in acquisition and management of completed logistics and industrial estate assets in China.

Summarised financial information of CVA I Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Non-current assets	3,070,273	3,257,933
Current assets	234,742	213,594
Non-current liabilities	(1,529,443)	(1,435,064)
Current liabilities	(65,160)	(73,484)
Non-controlling interests	(261,826)	(287,021)
Equity attributed to equity shareholders	1,448,586	1,675,958
* U R X S ¶ V H I I H F W L Y H L Q W H U H V '	18.36%	18.37%
Carrying amount in the consolidated financial statements	234,492	278,905
Ø		
Included in the above assets and liabilities:		
Cash and cash equivalents	218,865	194,404
Current financial liabilities (excluding trade and other payables)	(27,784)	(16,800)
Non-current financial liabilities (excluding trade and other payables)	(1,529,443)	(1,435,064)

13. Joint ventures (continued)

Ø	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	204,845	202,071
Profit for the year from continuing operations	106,809	219,587
Less: Profit attributable to NCI	(15,564)	(26,181)
Profit attributable to equity shareholders	91,245	193,406
Total comprehensive income	106,809	219,587

14. Associates (continued)

	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	200,624	557,308
Profit for the year from continuing operation	164,921	448,019
Total comprehensive income	164,921	448,019
* U R X S ¶ V H I I H F W L Y H L Q W H U H V '	36.45%	67.97%
share of results (net of tax expense) of associates and loss on disposal of associates	9,583	373,385
Ø		
Included in the above profit:		
Interest income	330	478

(b) Jian Fa Fund

In November 2020, the Group invested in 49.76% equity interest of Jian Fa Fund, which is a private equity investment vehicle formed in the PRC. The Group decreased its equity interest in Jian Fa Fund to 47.75% as at 31 December 2022 (31 December 2021: 49.76%). The general partner and the key decision making of Jian Fa Fund is primarily controlled by its J H Q H U D O S D U W Q H U ¶ V E R D U G R I G L U H F W R U V Z K L F K F R Q V L V W appointed by the Group. Resolutions at any meeting of these committees shall be decided by two-thirds of the voting members and the Group has significant influence in it by virtue of its two members in these boards.

Summarised financial information of the Jian Fa Fund, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Non-current assets	573,250	518,275
Current assets	226,005	241,685
Current liabilities	(249)	(70)
Net assets attributable to equity shareholders	799,006	759,890
* U R X S ¶ V L Q W H U H V W L Q D V V R F	47.75%	49.76%
Carrying amount in the consolidated financial statements	424,547	365,258
Ø		
Included in the above assets and liabilities:		
Cash and cash equivalents	217,807	215,543

14. Associates (continued)

Ø	Year ended 31 December 2022 86 ¶	Year ended 31 December 2021 86 ¶
Revenue	10,115	194,431
Profit for the year from continuing operation	1,961	188,654
Total comprehensive income	1,961	188,654
*URXS¶V HIIHFWLYH LQWHUHVW	47.75%	49.76%
Share of results (net of tax expense) of associate	936	100,680
Ø		
Included in the above profit:		
Interest income	2,764	-
Interest expense	-	(4)

(c) Zhongjin Jiaye

Zhongjin Jiaye (Tianjin) Commercial Real Estate Investment Center LLP (referred to as ³=KRQJMLÁQ L-VDQHPLWHG SDUWQHUVKLS HVWDEOLVKHG LQ WKH partnership is to seek capital appreciation by investing in the Z3 project (see note 13(c)). In April 2019, the Group acquired 58.63% equity interest of Zhongjin Jiaye through acquiring 100% equity interest of one limited partner of Zhongjin Jiaye. Zhongjin Jiaye is primarily controlled by its consulting committee board and investing committee board and the Group has significant influence in it through its membership in these boards.

Summarised financial information of Zhongjin Jiaye, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

Ø	31 December 2022 86 ¶	31 December 2021 86 ¶
Non-current assets	333,972	366,004
Current assets	13,664	10,408
Current liabilities	(4,849)	(550)
Net assets attributed to equity shareholders	342,788	375,862
*URXS¶V LQWHUHVW LQ DVVRF	58.63%	58.63%
Carrying amount in the consolidated financial statements	200,977	220,368
Ø		
Included in the above assets and liabilities:		
Cash and cash equivalents	1,136	97

14. Associates (continued)

Ø	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Revenue	-	-
Loss for the year from continuing operation	(1,342)	(2,906)
Total comprehensive income	(1,342)	(2,906)
* U R X S ¶ V H I I H F W L Y H L Q W H U H V '	58.63%	58.63%
Share of results (net of tax expense) of associate	(787)	(1,704)
Ø		
Included in the above profit:		
Interest income	198	165

(d) Other individually immaterial associates

Summarised financial information of other individually immaterial associates, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

Ø	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Profit for the year from continuing operation	417,749	284,266
Total comprehensive income	375,897	284,149
Aggregate amount of the results of associates	108,820	28,975

15. Deferred tax

Movements in deferred tax assets and liabilities during the year are as follows:

ð	At 1 January	Acquisition of subsidiaries (note 29)	Disposal of subsidiaries (note 29)	Effect of movement in exchange rates	Recognised in other comprehensive income (note 10)	Recognised in profit or loss	Reclassified to assets held for sale	At 31 December
Ø								
Ø	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶
Ø								

15. Deferred tax (continued)

Deferred tax assets have not been recognised in respect of the following items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from:

	31 December 2022	31 December 2021
Ø		
Ø	8 6 ¶	8 6 ¶
Ø		
Tax losses	920,581	857,248

Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. As at 31 December 2022, unrecognised tax losses amounting to approximately US$920,581,000 (31 December 2021: US$857,248,000) will expire within 1 to 5 years.

The PRC income tax law and its relevant regulations impose a withholding tax at 10%, unless reduced by a tax treaty/arrangement, for dividend distributions out of earnings accumulated beginning on or after 1 January 2008. As at 31 December 2022, the Group has not recognised a deferred tax liability amounting to approximately US$57,575,000 (31 December 2021: US$83,311,000) in respect of undistributed earnings of PRC subsidiaries because the Group can control the timing of the distribution and it is probable that the dividend will not be distributed to the holding company outside the PRC in the foreseeable future.

16. Property, plant and equipment

Ø Ø	Furniture, fittings and equipment 8 6 ¶	Assets under construction 8 6 ¶	Buildings held for own use carried at fair value 8 6 ¶	Buildings held for own use carried at amortised cost 8 6 ¶	Right-of-use assets 8 6 ¶	Total 8 6 ¶
Cost						
Ø						
At 1 January 2021	80,272	18,029	106,254	81,588	114,798	400,941
Acquisition of subsidiaries	40,004	3,030	-	-	50,310	93,344
Additions	54,862	150,174	41,995	-	320,547	567,578
Disposal of subsidiaries	(6,221)	-	(156,822)	-	-	(163,043)
Disposals	(1,365)	-	-	-	(18,977)	(20,342)
Transfers	37,816	(8,513)	-	(30,589)	-	(1,286)
Elimination on revaluation	-	-	(827)	-	-	(827)
Changes in fair value recognised in OCI	-	-	6,698	-	-	6,698
Effect of movements in exchange rates	2,764	2,187	2,702	1,453	7,025	16,131
Reclassification to asset held for sale	(64)	-	-	-	-	(64)
Ø						
At 31 December 2021	208,068	164,907	-	52,452	473,703	899,130
Acquisition of subsidiaries	113,978	143,600	-	-	85,962	343,540
Additions	171,339	152,194	-	-	25,634	349,167
Interest and right-of-use asset depreciation expenses capitalised	8,722	4,220	-	-	-	12,942
Disposal of subsidiaries	(1,885)	-	-	-	(5,744)	(7,629)
Disposals	(5,695)	-	-	-	(18,328)	(24,023)
Transfers	177,233	(176,056)	-	33,071	(34,248)	-
Effect of movements in exchange rates	(37,257)	(18,327)	-	(5,597)	(48,160)	(109,341)
Reclassification to asset held for sale	(3,138)	(38)	-	-	-	(3,176)
Ø						
At 31 December 2022	631,365	270,500	-	79,926	478,819	1,460,610
Ø						
Accumulated depreciation						
Ø						
At 1 January 2021	(28,337)	-	-	(8,776)	(15,298)	(52,411)
Acquisition of subsidiaries	(947)	-	-	-	-	(947)
Charge for the year	(8,620)	-	(827)	(1,006)	(17,684)	(28,137)
Disposal of subsidiaries	2,697	-	-	-	-	2,697
Disposals	470	-	-	-	6,152	6,622
Elimination on revaluation	-	-	827	-	-	827
Effect of movements in exchange rates	(1,524)	-	-	(607)	(3,918)	(6,049)
Transfers	-	-	-	1,286	-	1,286
Reclassification to asset held for sale	64	-	-	-	-	64
Ø						
At 31 December 2021	(36,197)	-	-	(9,103)	(30,748)	(76,048)
Charge for the year	(20,305)	-	-	(1,249)	(36,611)	(58,165)
Disposal of subsidiaries	464	-	-	-	1,161	1,625
Disposals	1,723	-	-	-	6,137	7,860
Effect of movements in exchange rates	4,848	-	-	814	9,433	15,095
Transfers	(945)	-	-	-	945	-
Reclassification to asset held for sale	1,479	-	-	-	-	1,479
Ø						
At 31 December 2022	(48,933)	-	-	(9,538)	(49,683)	(108,154)
Ø						
Carrying amounts						
Ø						
At 31 December 2021	171,871	164,907	-	43,349	442,955	823,082
Ø						
At 31 December 2022	582,432	270,500	-	70,388	429,136	1,352,456

17. Intangible assets

Ø Ø	Goodwill 8 6 ¶	Trademark 8 6 ¶	License rights 8 6 ¶	Customer relationship 8 6 ¶	Total 8 6 ¶
Cost					
Ø					
At 1 January 2021	295,879	24,949	3,383	-	324,211
Effect of movements in exchange rates	8,068	592	127	-	8,787
Ø					
At 31 December 2021	303,947	25,541	3,510	-	332,998
Acquisition					

17. Intangible assets (continued)

(a) Data Center Group

The recoverable amount of the CGU is determined based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecasts approved by management covering ten years. Cash flows beyond these periods are extrapolated using the estimated terminal growth rate. The discount rate applied is the weighted average cost of capital from the relevant business segment. The terminal growth rate used does not exceed m D Q D J H P H Q W ¶ V H [S H F W D W L long-term average growth rate of the respective industry and country in which the CGU operates. The pre-tax discount rate and terminal growth rate used as at 31 December 2022 are 11.2% and 3% respectively. The Group believes that any reasonably possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount.

(b) GLP China

The recoverable amount of the CGU is determined based on fair value less costs of disposal. The CGU comprises following categories: development business, fund management, investment properties and other investments as at 31 December 2022. In determining fair value, a combination of approaches were used, including the direct comparison, income capitalisation, discounted cash flow and residual approaches. The direct comparison approach involves the analysis of comparable properties or public companies, the Group invests in companies listed in active markets, and these equity securities are stated at their fair values at the reporting date. The income capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates, and the income stream used is adjusted to market rentals currently being achieved within comparable investment properties and recent leasing transactions achieved within the investment property. The discounted cash flow approach requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements. The residual approach values properties under development and land held for development by reference to its development potential and deducting development costs to E H L Q F X U U H G W R J H W K H U Z L W K G H Y H O R S H U V ¶ S U R I L W P D U J L C date of valuation.

As at 31 December 2022, key assumptions on which management has based its determination of fair value less costs to sell or disposal are capitalisation rate 4.25% - 7.00% (31 December 2021: 4.00% - 7.00%), discount rate 7.25% - 10.50% (31 December 2021: 7.25% - 10.50%), terminal yield capitalisation rate 4.25% - 7.00% (31 December 2021: 4.00% - 7.00%). The Group believes that any reasonably possible changes in the above key assumptions applied are not likely to cause the recoverable amount to be materially lower than its carrying amount.

19. Other non -current assets

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Trade receivables	32,769	34,352
Prepayments	35,208	70,484
Deferred management costs	59	19,749
Loans to joint ventures	400,571	437,576
Loans to associates	51,596	21,022
Loans to third parties	-	5,249
Loans to non-controlling interests	6,981	-
Consideration receivables due from other related parties	1,316,039	-
Deposits	3,633	-
Other investments held for disposal	97,412	128,201
Other non-current receivables	51,374	-
Ø		
Ø	1,995,642	716,633

The loans to joint ventures are repayable after one year, and bear interest rate ranging from 5.70% to 8.00% (31 December 2021: 5.70% to 8.00%) per annum, except for a loan of US$1,500,000 (31 December 2021: US$700,000) which is interest-free at the reporting date.

The loans to associates are repayable after one year, and bear interest rate at 6.00% (31 December 2021: 6.00%) per annum, nil is interest-free upon completion of the acquisition.

Consideration receivables due from other related parties, including loan notes with principal amounts of US$1,293,779,000 (31 December 2021: nil) are unsecured, bear a fixed interest rate of 4.00% per annum.

20. Trade and other receivables

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Net trade receivables:		
- Trade receivables	98,833	52,052
- Impairment losses	(4,246)	(1,881)
Ø	94,587	50,171
Amounts due from joint ventures:		
- Trade	6,558	10,346
- Non-trade	4,612	87,744
- Loans to joint ventures	124,020	100,859
Ø	135,190	198,949

20. Trade and other receivables (continued)

The loans to third parties in relation to acquisition of new investments are secured, repayable within the next 12 months, and bear effective interest rate at 10.00% (31 December 2021: 10.00% to 18.00%) per annum, except for approximately US$17,496,000 which is interest-free upon completion of the acquisition (31 December 2021: US$102,570,000 which is interest-free upon completion of the acquisition).

Deposits include an amount of approximately US$120,370,000 (31 December 2021: US$16,313,000) in relation to the acquisition of new investments. Other receivables comprise principally interest receivable and VAT recoverable.

Trade receivables are due on the date of billing. Further details on the Group

20. Trade and other receivables (continued)

Expected loss rates are based on actual loss experience over the past 12 months. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group ¶V YLHZ RI economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade and other receivables during the year is as follows:

Ø	31 December 2022	31 December 2021
Ø	86 ¶	86 ¶
Ø		
Balance at 1 January	2,099	2,186
Impairment loss recognised	2,297	993
Acquisition of subsidiaries	2,049	189
Disposal of subsidiaries	(695)	(428)
Exchange differences	(34)	(841)
Ø		
Balance at 31 December	5,716	2,099

Credit risk arising from loans to joint ventures, loans to associates, loans to non-controlling interests and loans to third parties.

The loans to joint ventures, the loans to associates, the loans to non-controlling interests and the loans to third parties are repayable within the next 12 months. The Group considers that the credit risk arising from these loans are insignificant as the loans are within the credit period.

22. Cash and cash equivalents

(a) Cash and cash equivalents comprise:

	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Cash at bank	1,431,878	716,941
Restricted cash (note)	57,548	-
Ø		
Cash and cash equivalents in consolidated statement of financial position	1,489,426	716,941
Ø		
Restricted cash	(57,548)	-
Cash and cash equivalents in disposal groups	638,245	246,508
Ø		
Cash and cash equivalents in the consolidated cashflow statement	2,070,123	963,449

The effective interest rates relating to certain cash at bank balances at reporting date for the Group ranged from 0.01% to 1.4895% (31 December 2021: 0.01% to 0.45%) per annum respectively.

Note: the Group has pledged bank deposit of approximately US$57,548,000 for bank borrowings of its joint venture, Shanghai Pulong Information Technology Co., Ltd. Besides, the Group and ZHEJIANG CENTURY HUATONG GROUP CO., LTD. have provided corporate guarantees for 50.1% and 49.9% of the above-mentioned bank borrowings respectively. As at 31 December 2022, the outstanding amount of the relevant bank borrowings was approximately US$574,333,000 (31 December 2021: US$

22. Cash and cash equivalents (continued)

(b) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group ¶V O L D E L O L W L H V I U R P I L Q D Q F L Q J D both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the cash flow statement as cash flows from financing activities.

Ø	Loans and borrowings (note 25)	Loans from non-controlling interests, joint ventures, associate and third parties (notes 26 and 27)	Lease liabilities (note 28)	Interest payable (note 27)	Total
Ø	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	

22. Cash and cash equivalents (continued)

Ø Ø Ø Ø	Loans and borrowings (note 25) 8 6 ¶	Loans from non-controlling interests, joint ventures, associate, third parties and other related parties (notes 26 and 27) 8 6 ¶	Lease liabilities (note 28) 8 6 ¶	Interest payable (note 27) 8 6 ¶	Total 8 6 ¶
At 1 January 2022	8,182,294	7,608	257,698	109,203	8,556,803
Changes from financing cash flows:					
Proceeds from bank loans	9,843,571	-	-	-	9,843,571
Repayment of bank loans	(6,433,457)	-	-	-	(6,433,457)
Proceeds from issue of bonds	322,532	-	-	-	322,532
Repayment of bonds	(1,044,139)	-	-	-	(1,044,139)
Proceeds of loans from non-controlling interests	-	1,646	-	-	1,646
Repayment of loans from non-controlling interests	-	(3,204)	-	-	(3,204)
Proceeds of loans from associates	-	4,770	-	-	4,770
Repayment of loans from associates	-	(28,501)	-	-	(28,501)
Proceeds of loans from third parties	-	2,571	-	-	2,571
Repayment of loans from third parties	-	(700)	-	-	(700)
Proceeds of loans from other related parties	-	366,911	-	-	366,911
Repayment of loans from other related parties	-	(234,290)	-	-	(234,290)
Cash payments for principal portion of lease liabilities	-	-	(19,384)	-	(19,384)
Cash payments for interest portion of lease liabilities	-	-	(7,474)	-	(7,474)
Interest paid	-	-	-	(509,893)	(509,893)
Ø					
Total changes from financing cash flows	2,688,507	109,203	(26,858)	(509,893)	2,260,959
Ø					
Other changes:					
Acquisition of subsidiaries (note 29)	633,285	91,291	80,851	10,247	815,674
Disposal of subsidiaries (note 29)	(133,368)	-	-	-	(133,368)
Additions	-	-	25,634	-	25,634
Interest expense	-	-	13,912	487,101	501,013
Effect of movements in exchange rates	(304,927)	(3,984)	(61,434)	(895)	(371,240)
Amounts reclassified as held for sale	(1,344,454)	(166,430)	-	-	(1,510,884)
Ø					
Total other changes	(1,149,464)	(79,123)	58,963	496,453	(673,171)
Ø					

23. Share capital and capital management

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group ¶V FRQVROLGDWHG HTXLW\ LV VHW RXW LQ WKH FRQVROL 'HWDLOV RI WKH FKDQJHV LQ WKH &RPSDQ\¶V LQGLYLGXDO FR beginning and the end of the year are set out below:

Company	Share capital	Currency translation reserve	Retained earnings	Total
Ø	86 ¶	86 ¶	86 ¶	86 ¶
Ø				(
Balance at 1 January 2021	6,950,825	(320,086)	(11,484)	6,619,255
Ø				(
Total comprehensive income for the year	-	152,844	(168,635)	(15,791)
Ø				(
Balance at 31 December 2021	6,950,825	(167,242)	(180,119)	6,603,464
Ø				(
Total comprehensive income for the year	-	(585,829)	782,939	197,110
Ø				(
Balance at 31 December 2022	6,950,825	(753,071)	602,820	6,800,574

(b) Share capital

Issued share capital

Ø	31 December	
Ø	No. of shares	
Ø	¶	86 ¶
Ø		
Ordinary shares, issued and fully paid:	6,950,825	6,950,825

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank HTXDOO\ ZLWK UHJDUGLQJ WR WKH &RPSDQ\¶V UHVLGXDO DVV

(c) Dividends

The Board of Directors has not declared any dividend in respect of the year ended 31 December 2022 and the year ended 31 December 2021.

23. Share capital and capital management (continued)

(d) Capital management

The Group ¶V REMHFWLYHV ZKHQ PDQDJLQJ FDSLWDO DUH WR EXLG sustain the future developments of its business and to maintain an optimal capital structure WR PD[LPLVH VKDUHKROGHU¶V YDOXH DQG EHQHILWV IRU GLVFORVHG´ DVVHWV RI OXGLQJ equity plus loans from its holding companies and related corporations with no fixed terms of repayment-D V01 -0.00006 595.20001 841.5999C06 595.20042 (R)-14 ( )] TJ ET Q q 0.00001 -0.00006

23. Share ca[redacted]nd capital management (continued)

All of the [redacted]¶V EDQNLQJ IDFLOLWLHV DUH VXEMHFW WR WKH IXOI certain o[redacted]up ¶V EDODQFH VKHHW UDWLRV DV DUH FRPPRQO\ IR with finan[redacted]itutions. If the Group were to breach the covenants the drawn down facilities [redacted]ecome payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group ¶V PDQDJHPHQW RI OLTXLGLW\ U in note 30(b). As at and during the year ended 31 December 2022, none of the covenants relating to drawn down facilities had been breached (31 December 2021: none).

24. Reserves

Ø	31 December 2022	31 December 2021
Ø	86 ¶	86 ¶
Ø		
Capital reserve	67,548	90,779
Equity compensation reserve	36,849	36,849
Currency translation reserve	(1,134,147)	174,951
Fair value reserve (non-recycling)	107,484	228,707
Other reserve	(1,554,630)	(1,554,630)
Retained earnings	9,639,889	8,301[(R)8

25. Loans and borrowings

Ø	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Non-current liabilities		
Ø		
Secured bank loans	3,316,745	2,517,768
Secured bonds	-	320,156
Unsecured bank loans	1,251,660	532,369
Unsecured bonds	3,048,088	3,725,508
Ø		
Ø	7,616,493	7,095,801
Ø		
Current liabilities		
Ø		
Secured bank loans	258,189	357,821
Secured bonds	-	2,925
Unsecured bank loans	1,147,137	56,004
Unsecured bonds	699,518	669,743
Ø		
Ø	2,104,844	1,086,493

The secured bank loans and secured bonds are secured by mortgages on the borrowing V X E V L G L D U L H V ¶ L Q Y H V W P H Q W S U R S H U W L H V Z L W K D F D U U \ L Q J US$11,370,060,000 (31 December 2021: US$11,318,951,000) (note 11).

The effective interest rates for bank borrowings and bonds ranging from 2.20% to 7.46% (31 December 2021: 1.42% to 6.77%) per annum.

26. Other non-current liabilities

Ø	31 December 2022	31 December 2021

27. Trade and other payables

	31 December 2022	31 December 2021
Ø	8 6 ¶	8 6 ¶
Ø		
Trade payables	12,596	8,454
Accrued construction costs	463,426	574,052
Accrued operating expenses	118,021	117,408
Contract liabilities	30,711	38,015
Interest payable	83,946	102,484
Security deposits received	93,634	98,823
Amounts due to:		
- Intermediate holding company and other related parties (trade)	169,326	62,378
- Intermediate holding company and other related parties (non-trade)	249,615	218,977
- Non-controlling interests (trade)	2,879	2,992
- Non-controlling interests (non-trade)	25,318	28,640
- Joint ventures (trade)	121	2,188
- Joint ventures (non-trade)	614	4,787
- Associates (trade)	74	282
- Associates (non-trade)	141,438	35,441
Interest payable on loans from other related parties	4,930	6,284
Loans from non-controlling interests	32,105	957
Interest payable on loans from non-controlling interests	6,685	214
Loan from joint ventures	2,829	2,829
Loans from third parties	-	776
Interest payable on loans from third parties	202	221
Consideration payable for acquisition of subsidiaries	60,418	79,849
Deposits received and accrued expenses for disposal of investment properties	55,190	77,211
Other payables	138,626	107,643
Lease liabilities (note 28)	24,724	21,005
Ø		
Ø	1,717,428	1,591,910

The non-trade amounts due to intermediate holding company and other related parties, non-controlling interests, joint ventures, and associates are unsecured, interest-free and have no fixed repayment terms. The loans from non-controlling interests and joint ventures are unsecured and repayable within the next 12 months. The interest-bearing loans from non-controlling interests and joint ventures bear effective interests ranging from 4.00% to 8.00% (31 December 2021: 4.00% to 6.08%) per annum as at the reporting date.

28. Lease liabilities

The remaining contractual maturities of the Group ¶ V O H D V H O L D E L O L W L H V D W W K H year are as follows:

Ø	At 31 December 2022	
Ø	Present value of the minimum lease payments	Total minimum lease payments
Ø	8 6 ¶	8 6 ¶
Ø		
Within 1 year	24,724	38,501
Ø		
After 1 year but within 2 years	32,820	36,653
After 2 years but within 5 years	93,146	100,952
After 5 years	139,113	206,204
Ø		
Ø	289,803	382,310
Ø		
Less: total future interest expenses		(92,507)
Ø		
Present value of lease liabilities		289,803
Ø		

Ø	At 31 December 2021
	Present value of the minimum
Ø	

29. Notes to cash flow statement

Acquisitions of subsidiaries

The primary reason for the Group ¶ V D F T X L V L W L R Q V R I V X E V L G L D U L H V L V W P investment properties and data center business in the PRC and possession of qualification for architecture designing.

(i) The list of material subsidiaries acquired during the year ended 31 December 2022 is as follows:

Name of subsidiaries Ø Ø	Date acquired	Equity interest acquired %
HAN SI CAPITAL HOLDINGS LIMITED.	January 2022	100
Shanghai Linfang Logistics Technology Co., Ltd.	February 2022	100
Pengcheng Jinyun Technology Co., Ltd.	May 2022	100
I-SERVICES NETWORK SOLUTION LIMITED	May 2022	100
Shenzhen Pujing Longze Technology Co., Ltd.	July 2022	70
China Logistics Holding (19) Pte Ltd.	August 2022	100
CLH 84 (HK) Limited	August 2022	100
Zhuhai Puyi Logistics Industry Investment LLP	December 2022	100
Chun Kwong Group Limited	December 2022	100
Tenglong Donghu (Wuhan) Data Management Co., Ltd.	December 2022	55

29. Notes to cash flow statement (continued)

(ii) The list of material subsidiaries acquired during the year ended 31 December 2021 is as follows:

Name of subsidiaries	Date acquired	Equity interest acquired %
Anhui Nuohan Intelligent Equipment Co., Ltd.	January 2021	91
GLP Yiwu 3XMLH /RJLVWLFV)DFLO 3XMLH´	March 2021	100
Changchun Suning Yida Logistics Co., Ltd.	April 2021	80
Jiangsu Zhichen Asset Management Co., Ltd.	April 2021	80
Nanjing Jingfu Asset Management Co., Ltd.	April 2021	80
Chengdu Suning Yida Warehousing Co., Ltd.	April 2021	80
Fuzhou Suning Tesco Trading Co., Ltd.	April 2021	80
Harbin Suning Purchasing Co., Ltd.	April 2021	80
Shijiazhuang Shining Suning Trading Co., Ltd.	April 2021	80
Yunnan Suning Logistics Co., Ltd.	April 2021	80
Shaoxing Suning Yuncang Logistics Co., Ltd.	April 2021	80
Hefei Luning Yida Logistics Co., Ltd.	April 2021	80
Hainan Suning Yida Logistics Co., Ltd.	April 2021	80
Guiyang Suning Logistics Co., Ltd.	April 2021	80
Nanjing Yuyue Asset Management Co., Ltd.	April 2021	80
Yancheng Yanning Suning Tesco Co., Ltd.	April 2021	80
Ezhou Suning Yida Logistics Investment Co., Ltd.	April 2021	80
Wuhu Suning Yida Logistics Co., Ltd.	April 2021	80
Jining Yanzhou Suning Yida Logistics Warehousing Co., Ltd.	April 2021	80
Lanzhou Suning Purchasing Co., Ltd.	April 2021	80
Urumqi Suning Tesco Trading Co., Ltd.	April 2021	80
Xuzhou Suning Yida Logistics Co., Ltd.	May 2021	80
Nanning Xinbao Zhihui Supply Chain Management Co., Ltd.	April 2021	90
Wenzhou Chengya Supply Chain Co., Ltd.	May 2021	50
Haikou Xinjia Logistics Co., Ltd.	June 2021	100
Zhengzhou Donggong Wanchi Industrial Co., Ltd.	June 2021	95
Hangzhou Oujixing Food Co., Ltd.	August 2021	63.9
Beijing Kirin Property Management Development Co., Ltd.	August 2021	80
Guangde International Investment (Zhejiang) Sports Co., Ltd.	July 2021	100
Beijing Aidixi Technology Co., Ltd.	September 2021	70
Beijing Addison Data Technology Development Co., Ltd.	September 2021	70
Beijing Logistics Pte. Ltd.	September 2021	100
Beijing Yongle Jiadi Technology Development Co., Ltd.	September 2021	100
Beijing Bishengyuan Food and Beverage Co., Ltd.	December 2021	100

29. Notes to cash flow statement (continued)

Effect of the acquisitions

The cash flow and the net assets of the subsidiaries acquired during the years ended 31 December 2022 and 2021 are provided below:

Ø	Year ended 31 December 2022 Recognised values on acquisition 86 ¶	Year ended 31 December 2021 Recognised values on acquisition 86 ¶
Ø		
Investment properties	1,361,732	1,996,368
Associates	327,639	-
Property, plant and equipment	343,540	92,397
Intangible assets	150,280	-
Other investments	500,650	-
Deferred tax assets	14,285	11,206
Other assets	23,178	36
Cash and cash equivalents	135,149	20,109
Trade and other receivables	149,241	72,562
Trade and other payables	(314,879)	(670,858)
Loans and borrowings	(633,285)	(303,465)
Current tax payable	-	70
Deferred tax liabilities	(46,835)	(18,590)
Other non-current liabilities	(94,195)	-
Non-controlling interests	(154,639)	(100,374)
Ø		
Net assets acquired	1,761,861	1,099,461
Goodwill	293,560	-
Gain on acquisition of subsidiaries under common control recognised directly in capital reverse	(7,582)	-
Gain on acquisition of subsidiaries	-	(19,477)
Ø		
Purchase consideration	2,047,839	1,079,984
Fair value of previous held equity interest	-	(18,774)
Consideration payable	(450,232)	(188,470)
Cash of subsidiaries acquired	(135,149)	(20,109)
3D\PHQW RI FRQVLGHUDWLRQ LQ acquisitions	27,188	104,859
Ø		
Cash outflow on acquisitions of subsidiaries	1,489,646	957,490

The total related acquisition costs for the above-mentioned subsidiaries amounted to approximately US$ 2,047,839,000 (year ended 31 December 2021: US$1,079,984,000).

From the respective dates of acquisitions to 31 December 2022, the above-mentioned acquisitions contributed net loss of approximately US$7,070,000 to the Group ¶V UHVXOWV IRU the year, before accounting for financing costs attributable to the acquisitions. Had the acquisitions occurred on 1 January 2022, management estimates that the above-mentioned acquisitions would have contributed approximately US$ 582,827,000 and US$ 212,478,000 to the Group ¶V UHYHQXH DQG QHW SURILW UHVSHFWLYHO\ IRU \HDU

29. Notes to cash flow statement (continued)

Disposals of subsidiaries

(i) The list of material subsidiaries disposed during the year ended 31 December 2022 is as follows:

Name of subsidiaries	Date disposed	Equity interest disposed
Ø Ø		%
Wuxi Guolian Logistic Facilities Co., Ltd. (*)	January 2022	60
Airport Nanning Holding Limited.	February 2022	100
Nanning Airport Logistics Co., Ltd.	February 2022	66
GLP Chengdu Xindu Logistics Facilities Co. Ltd.(*)	March 2022	100
Kun Shan Chuan Shi Photoelectric Technology Co., Ltd. (*)	March 2022	100
SEA Fund I Holdings Pte. Ltd.	April 2022	100
Han Si Capital Holdings Limited	April 2022	100
Dongguan Shipai Dongli-GLP Logistics Co., Ltd.(*)	June 2022	100
GLP China Fund Management Holdings Limited	July 2022	

29. Notes to cash flow statement (continued)

In July 2022, the Company transferred GLP China Fund Management Holdings Limited and its subsidiaries, which for the avoidance of doubt are all Chinese offshore entities to GLP Capital Partners L.P., an other related party of the Company as part of a restructuring exercise. The total disposal consideration is US$1,293,779,000 which is recognised as a loan receivable from other related parties (note 19), and the gain on disposal is US$943,719,000.

(ii) The list of material subsidiaries disposed during the year ended 31 December 2021 is as follows:

Name of subsidiaries	Date disposed	Equity interest disposed %
GLP Tongxiang Logistics Facilities Co., Ltd.	January 2021	100
GLP (Chengdu) Hi-Tech Industrial Park Development Co., Ltd.	January 2021	100
Minshang (Nanning) Internet of Things Technology Development Co., Ltd.	January 2021	100
GLP GOLDEN LINCOLN B Partners, LP	March 2021	68.51
Shanghai Zhongji Yangshan Container Services Co., Ltd.	April 2021	50
GLP Beijing Airport Logistics Development Co., Ltd.	June 2021	100
Pushun Logistics Park Development Co., Ltd.	June 2021	100
Kunshan GLP Dianshanhu Logistics Co., Ltd.	June 2021	100
Suzhou GLP Wangting Development Co., Ltd.	June 2021	100
GLP Guangzhou Bonded Development Co., Ltd.	June 2021	100
GLP Guangzhou Warehousing Co., Ltd.	June 2021	100
CLH 88 (HK) Limited		

29. Notes to cash flow statement (continued)

Name of subsidiaries	Date disposed	Equity interest disposed

29. Notes to cash flow statement (continued)

Effect of the disposals

The cash flow and the net assets of the subsidiaries disposed during the years ended 31 December 2022 and 2021 are provided below:

Ø	Year ended 31 December 2022 Recognised values on disposal 8 6 ¶	Year ended 31 December 2021 Recognised values on disposal 8 6 ¶
Ø		
Investment properties	1,908,884	7,097,963
Joint ventures	2,580	-
Associates	127,484	-
Intangible assets	-	34,730
Property, plant and equipment	6,005	160,441
Other investments	425,692	633,190
Deferred tax assets	1,178	11,235
Other assets	591	4,202
Trade and other receivables	484,348	491,088
Cash and cash equivalents	214,984	369,698
Trade and other payables	(372,025)	(1,889,799)
Loans and borrowings - non-current	(133,368)	(981,405)
Loans and borrowings - current	-	(6,968)
Current tax payable	(7,393)	(50,987)
Deferred tax liabilities	(364,955)	(765,423)
Other non-current liabilities	(7,856)	(9,408)
Non-controlling interests	(151,260)	(727,036)
Ø		
Net assets disposed	2,134,889	4,371,521
Gain on disposal of subsidiaries recognised in profit and loss	1,230,002	552,697
Ø		
Disposal consideration	3,364,891	4,924,218
Consideration receivable	(2,090,407)	(947,085)
Satisfied through non-cash settlement	(244,205)	(41,892)
Cash of subsidiaries disposed	(214,984)	(369,698)
Cash received in relation to dividend receivable prior to disposal	-	360,813
5 H F H L S W R I F R Q V L G H U D W L R Q L Q disposals	829,860	298,056
Ø		
Cash inflow from disposals of subsidiaries	1,645,155	4,224,412

From 1 January 2022 to respective dates of disposals, the above-mentioned subsidiaries contributed approximately US$ 200,845,000 and US$ 154,880,000 to the Group ¶ V U H Y H Q X H and net profit respectively for the year ended 31 December 2022.

From 1 January 2022 to the respective dates of disposals, the amounts of disposed investment properties, deferred tax assets and deferred tax liabilities previously classified as held for sale were US$1,339,380,000, US$1,177,000 and US$221,141,000, respectively.

30. Financial risk management and fair values of financial instruments

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group ¶V EXVLQHVV7KH*URXS is also exposed to equity price risk arising from its equity investments in other entities.

The Group ¶V H[SRVXUH WDQG WKH ILQDQFLDO ULVN PDQDJHPHQW policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group ¶V FUHGLW ULVN LV SULPDULO\ trade and other receivables. The Group ¶V H[SRVXUH WR FUHGLW ULVN DULVLQ equivalents, bills receivable and derivative financial assets is limited because the counterparties are banks and financial for which the Group considers to have low credit risk.

Trade and other receivables

The Group ¶V H[SRVXUH WR FUHGLW ULVN LV LQIOXHQFHG PDLQO\ each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

Individual credit evaluations are performed on all customers requiring credit over a certain DPRXQW 7KHVH HYDOXDWLRQV IRFXV RQ WKH FXVWRPHU¶V S due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due from the date of billing. Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances before any further credit is granted.

Further quantitative disclosures in respect of the Group ¶V H[SRVXUH WR FUHGLW ULVI trade and other receivables are set out in note 20.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans WR FRYHU H[SHFWHG FDVK GHPDQGV VXEMHFW WR DSSURYDO Forward when the borrowings exceed certain predetermined levels of authority. The Group ¶V SROLF\ LV WR regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

30. Financial risk management and fair values of financial instruments (continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group ¶ V QRQ-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date Group can be required to pay:

Ø			Cash flows		
Ø	Carrying amount	Contractual cash flows	Within 1 year	From 1 to 5 years	After 5 years
Ø	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶	8 6 ¶
31 December 2022					
Ø					
Bank loans	5,973,731	7,166,999	1,693,196	3,177,076	2,296,727
Unsecured bonds	3,747,606	3,970,241	838,401	3,131,840	-
Trade and other payables/other non-current liabilities *	2,398,229	2,433,121	1,637,480	729,551	66,090
Ø					
Ø	12,119,566	13,570,361	4,169,077	7,038,467	2,362,817
Ø					
31 December 2021					
Ø					
Bank loans	3,463,962	4,236,942	558,262	2,052,378	1,626,302
Secured bonds	323,081	524,129	18,267	73,454	432,408
Unsecured bonds	4,395,251	4,770,558	833,615	3,935,821	1,122
Trade and other payables/other non-current liabilities *	2,054,263	2,114,508	1,547,843	533,025	33,640
Ø					
Ø	10,236,557	11,646,137	2,957,987	6,594,678	2,093,472

* Excludes contract liabilities.

(c) Interest rate risk

The Group ¶ V L Q W H U H V W U D W H U L V N D U L V H V S U L P D U L O \ I U R P O R D equivalents and restricted cash.

Cash and cash equivalents and restricted cash comprise mainly cash at bank, with an interest rate ranged from 0.01% to 1.49% per annum as at 31 December 2022 (31 December 2021: 0.01% to 0.45% per annum). Pledged bank deposits and time deposits maturing after three months are not held for speculative purposes but are placed to satisfy conditions for borrowing facilities granted to the Group and for higher yield returns than cash at bank.

The Group ¶ V Y D U L D E O H U D W H O R D Q V D Q G E R U U R Z L Q J V D U H H [S R V flows due to changes in interest rates. The interest rates of the loans and borrowings are disclosed in note 25.

When appropriate and at times of interest rate uncertainty or volatility, interest rate swaps may be used to assist in the Group ¶ V P D Q D J H P H Q W R I L Q W H U H V W U D W H H [S

30. Financial risk management and fair values of financial instruments (continued)

(i) Exposure to currency risk

The following table details the Group ¶V H[SRVXUH DW WKH HQG RI WKH UHSRU currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in USD, translated using the spot rate at the year-end date.

Ø	2022	2021
Ø	86 ¶	86 ¶
Ø		
Other investments	366,942	1,016,469
Cash and cash equivalents	333,621	87,035
Trade and other receivables	2,137,871	49,021
Trade and other payables	(81,885)	(6,284)
Loans and borrowings	(3,756,860)	(1,898,726)
Ø		
Overall exposure	(1,000,311)	(752,485)

The following significant exchange rates applied during the year:

Ø	Average rates		Reporting date spot rate	
Ø	2022	2021	2022	2021
Ø				
United States Dollars against RMB	6.7203	6.4534	6.9646	6.3757

(ii) Sensitivity analysis

The following table indicates the approximate change in the Group ¶V SURILW EHIRUH WD[and other components of consolidated equity in response to a 5% strengthening of the USD against RMB to which the Group had exposure at the balance sheet date. This analysis assumes that the reasonably possible change in foreign exchange rates had occurred at the balance sheet date and had been applied to each for the Group HQWLWLHV¶ H[SRVXUH W currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

Ø	2022	2021
Ø	86 ¶	86 ¶
Ø		
United States Dollars	(50,016)	(37,624)

A 5% weakening of the USD against RMB at 31 December would have had the equal but opposite effect on the RMB to the amounts shown above, on the basis that all other variables remain constant.

30. Financial risk management and fair values of financial instruments (continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-

30. Financial risk management and fair values of financial instruments (continued)

(f) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group ¶ V I L Q D Q F L D O L Q V W U X P H Q W V the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

Ø	Fair value at 31 December 2022	Fair value measurements as at 31 December 2022 categorised into		
Ø		Level 1	Level 2	Level 3
Ø	¶	¶	¶	¶
Recurring fair value measurement				
Ø				
Financial assets:				
Other investments:				
- Listed securities	648,375	648,375	-	-
- Unlisted equity securities	1,864,263			

30. Financial risk management and fair values of financial instruments (continued)

During the year ended 31 December 2022, there were no transfers between Level 1 and Level 2, and the investments in Cenntro Electric Group Ltd. was reclassified from Level 3 to Level 1 because this equity security became listed during the period during the year (year ended 31 December 2021: investments in Eastern Air Logistics Co., Ltd., Jingdong Express Group Corporation, China Railway Special Cargo Logistics Co., Ltd. and Linklogis Financial Holdings Inc. were reclassified from Level 3 to Level 1 because these equity securities became listed during the year). The Group ¶V SROLF\ LV WR UHFRJQLVH WUDQVI of fair value hierarchy as at the end of the reporting period in which they occur.

Ø Ø	Valuation techniques	Significant unobservable inputs	Range
Unlisted equity securities	Market approach	Discount for lack of marketability	0% - 32%
Unlisted equity securities	Market approach	Price-to earnings ratio	5.95x
Unlisted equity securities	Market approach	EV/EBITDA ratio	9.6X
Unlisted equity securities	Dividend discount model method	Discount rate	10%

The fair value of unlisted equity securities is determined using cost approach, market approach and discounted cash flow method. The fair value of unlisted equity securities using cost approach uses financial data. The fair value of unlisted equity securities using market approach uses the price/book ratios of comparable listed companies, post-money valuation and adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. The fair value of unlisted equity securities using discounted cash flow uses discount rate.

Ø Ø Ø	31 December 2022 ¶	31 December 2021 ¶
Unlisted equity securities:		
At 1 January	1,189,147	1,655,919
Additional securities acquired	1,190,442	193,550
Reclassified from associates	105,294	-
Net unrealised gains or losses recognised in profit or loss during the year	27,566	253,494
Disposals	(579,527)	(640,894)
Reclassification to listed equity securities	(12,261)	(292,243)
Exchange differences	(56,398)	19,321
At 31 December	1,864,263	1,189,147
Total gains or losses for the year included in profit or loss for assets held at the end of the reporting year	27,566	253,494

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group ¶V IL Q DQ FL DO LQ VW UX PH Q WV FD U U LH G DV are not materially different from their fair values as at 31 December 2022 and 31 December 2021.

31. Commitments

The Group had the following commitments as at the reporting date:

Ø

33. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant related party transactions which were carried out in the normal course of business on terms agreed between the parties during the year:

	Year ended 31 December 2022	Year ended 31 December 2021
Ø	8 6 ¶	8 6 ¶
Joint ventures		
Ø		
Asset management fee income from joint ventures	6,000	14,218
Investment management fee income from joint ventures	2,088	1,235
Property management fee income from joint ventures	8,295	8,963
Development management fee income from joint ventures	4,014	1,604
Leasing management fee income from joint ventures	3,368	4,453
Acquisition management fee income from joint ventures	147	3,633
Dividend income received from joint ventures	94,957	16,246
Interest income from joint ventures	31,743	33,172
Interest expenses charged by joint ventures	(10)	(3)
Ø		
Associates		
Ø		
Asset management fee income from associates	20,465	26,009
Investment management fee income from associates	9,778	33,004
Property management fee income from associates	4,043	6,155
Development fee income from associates	5,059	480
Dividend income received from associates	146,537	55,306
Leasing management fee income from associates	1,810	3,521
Acquisition management fee income from associates	-	968
Interest income from associates	5,904	5,268
Interest expenses charged by associates	(2)	(56)
Ø		
Intermediate holding company		
Management service fee charged by intermediate holding company	(3,045)	(4,501)
Interest expenses charged by intermediate holding company	-	(260)
Other related parties		
Ø		
Asset management fee charged by other related parties	(76,499)	(16,914)
Asset management fee income from other related parties	3,663	11,169
Service fee income from other related parties	46,820	-
Interest income from other related parties	86,766	435
Interest expenses charged by other related parties	(17,205)	(400)

33. Significant related party transactions (continued)

Acquisition of assets and liabilities from related parties

The assets and liabilities acquired are provided below:

Ø	Total 8 6 ¶
Ø	
Net assets acquired	1,180,090
Ø	
Acquisition gain recognised in capital reverse	(7,582)
Ø	
Acquisition consideration	1,172,508

Disposal of assets and liabilities to related parties

The assets and liabilities disposed of are provided below:

Ø	Total 8 6 ¶
Ø	
Net assets disposed	1,853,098
Ø	
Disposal gain recognised in profit and loss	1,230,218
Ø	
Disposal consideration	3,083,316

Guarantees provided to related parties

The Group has provided corporate guarantees for bank borrowings of related parties, GLP &KLQD)LQDQFLQJ +ROGLQJ /LPLWHG¶V VXEVLGLDULHV $V DW the outstanding amount of the relevant bank borrowings was approximately US$197,359,000 (31 December 2021: US$243,648,000). As at and during the year ended 31 December 2022, there was no overdue payment in respect of these bank borrowings (2021: none).

Besides, the Group has provided pledged bank deposit and corporate guarantees for bank borrowing of its joint venture, Shanghai Pulong Information Technology Co., Ltd during the year (note 22).

34. Subsequent events

The management has evaluated events after the date of the statement of financial position up to 31 March 2023, the date on which the financial statements are approved for issuance. No significant event that would require adjustment to or disclosure in these financial statements is identified.

35. Company-level statement of financial position

	Note	31 December 2022 US$'000	31 December 2021 US$'000
Non-current assets			
Investments in subsidiaries	12	20,777,066	18,120,812
Other non-current assets		957	14,384
Loans to subsidiaries		848,237	630,394
		21,626,260	18,765,590
Current assets			
Other receivables		4,951,652	4,029,524
Cash and cash equivalents		149,694	31,120
		5,101,352	4,060,644
Total assets		26,727,612	22,826,234
Equity attributable to owners of the Com			
Borrowings		4,299,749	4,257,884
		4,299,749	4,257,884
Current liabilities			
Payables		13,847,615	11,289,094
Current tax payable		15,436	16,862
		15,627,289	11,964,886
Total liabilities		19,927,038	16,222,770
Total equity and liabilities		26,727,612	22,826,234

Approved and [illegible] 31 MAR 2023

36. Company -level statement of comprehensive income

Ø Ø	Year ended 31 December 2022 8 6 ¶	Year ended 31 December 2021 8 6 ¶
Revenue Ø	401	-

37. Company -level cash flow statement

	Year ended 31 December 2022	Year ended 31 December 2021
Ø		
Ø	8 6 ¶	8 6 ¶
Cash flows from operating activities		
Ø		
Profit/(loss) before taxation	787,884	(165,128)
Ø		
Adjustments for:		
Ø		
Net finance costs	1,162,345	164,245
Withholding tax	-	3,507
Gain on disposal of subsidiaries	(1,228,454)	-
Ø		
Ø	721,775	2,624

37. Company -level cash flow statement (continued)

Year ended

Ø

39. Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 202 2

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2022 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the group.

Ø Ø	Effective for accounting periods beginning on or after
HKFRS 17, Insurance contracts	1 January 2023
Amendments to HKAS 1, Presentation of financial statements: Classification of liabilities as current or non-current	1 January 2023
Ø Amendments to HKAS 1, Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies	1 January 2023
Ø Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates	1 January 2023
Amendments to HKAS 12, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

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